



BOARD OF EDUCATION CONTRACT

FROM: METROPOLITAN BOARD
OF PUBLIC EDUCATION

TO: Kelly Flannery, Director
Metropolitan Department of Finance

Contract Number: 7551089 Contractor: Intrepid College Preparatory Inc
Sourcing Method: Board Approved Charter Application
Start Date: 7/1/2023 End Date: 6/30/2033
Address: 5221 Hickory Hollow Parkway City: Antioch State: TN Zip: 37013
Supplier Number: 146578 Supplier Email: brockey@intrepidcollegeprep.org

PURPOSE OF CONTRACT:

Charter School Agreement for Intrepid College Prep at 5221 Hickory Hollow Pkwy, Antioch, TN, 37013, for grades 5-12.

CONTRACT SPECIFICS:

Does this engagement require fund authorization by the MBPE? **Yes** Board Approval Date: 11/22/22 ~~11/28/22~~ JT
Is this an Intergovernmental Contract? **No**
Is this a Revenue contract (Board of Education will receive funds)? **No**
Is there DBE Participation? **No** Type of DBE (check all that apply): ☐ SBE ☐ MBE ☐ WBE ☐ SDV
Value of DBE Participation:

GRANT SUMMARY (IF APPLICABLE):

Grant Name:

Amount expected to receive: Business unit to which it will be deposited:

Are matching funds required? **No** If yes, amount of obligation:

If yes, specify fund that is being obligated:

CONTRACT FINANCIAL SUMMARY:

Amount obligated for current fiscal year is: At least annually, MNPS will monitor and periodically report on the charter school's progress in relation to the indicators, measures, metrics, and targets set out in the Performance Frameworks. Such reporting shall become part of the charter school's annual report to MNPS and the state commissioner of education.

BUDGET INFORMATION:

Account number: 80701457.502309.0

Fund number: Charter

kk R

MNPS Contact Person: Shereka Roby-Grany
Email Address: shereka.robby@mnps.org

Contract Agent: Jackie Taylor
Email Address: Jackie.Taylor@mnps.org



Charter School Agreement

This Charter Agreement ("Agreement") is entered into between The Metropolitan Nashville Public Schools ("Chartering Authority") and Intrepid College Prep ("Charter School"). Chartering Authority and Charter School are collectively the Parties to this Charter Agreement. This Charter Agreement shall be binding upon the Governing Body selected by the Charter School to operate the public charter school proposed in the Charter School's Application, dated April 1, 2022. The Governing Body is the Board of Directors of Intrepid College Preparatory Charter School ("Governing Body"). To the extent there is a conflict between the term of the Agreement and the Application, the terms of this Agreement shall govern.

This Agreement consists of the following documents:

- Any properly executed amendment to this Agreement, (most recent with first priority),
- This document,
- Exhibit 1: Approved Charter School Application ("Application"),
- Exhibit 2: Pre-Opening Charter Accountability Workbook,
- Exhibit 3: Metro Nashville Public Schools Charter School Performance Framework (latest adopted edition shall govern),
- Exhibit 4: Annenberg Standards.

Recitals:

WHEREAS, the State of Tennessee enacted the Tennessee Public Charter Schools Act of 2002 (T.C.A. §49-13-101 et seq.) effective July 4, 2002 ("the Act") authorizing the establishment of independent, publicly supported schools known as charters schools; and

WHEREAS, the purposes of the Act include providing "options relative to the governance and improvement of high priority schools, the delivery of instruction for those students with special needs, improv[ing] learning for all students and clos[ing]...achievement gap[s];" and

WHEREAS, charter schools "provide [one] alternative means within the public school system for ensuring accomplishment of the necessary outcomes of education by allowing the establishment and maintenance of public charter schools that operate within a school district structure but are allowed maximum flexibility to achieve their goals;" and

WHEREAS, the Act empowers the Chartering Authority to ensure that only those charter schools open and remain open that are meeting the best interests of the pupils, the school district or the community, and the Act enables the Chartering Authority to do this through rigorous authorization processes, ongoing monitoring of the academic, organizational and financial performance of charter schools, and, when necessary, through the revocation or non-renewal of charters;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:



1. General Terms

1.1 Applicable Law. This Agreement and the Charter School's operations shall be governed by and construed in accordance with the laws of the state of Tennessee and applicable federal laws of the United States. Though the Governing Body may, pursuant to T.C.A. § 49-13-105, seek waivers from the Chartering Authority or the commissioner of education from Tennessee laws or rules of the State Board of Education that inhibit the Charter School's mission, the Parties understand that waivers may not be provided from the types of laws and rules specifically listed in T.C.A. § 49-13-105, from any provisions of Title 49, Chapter 13 (the Tennessee Public Charter Schools Act) or those included in the Act by reference, or from other laws specifically applicable to charter schools (such as those related to benefits or retirement of charter school employees contained in Title 8, Chapter 27, Part 3). Nothing in this section shall require staff members who work in a regional or national capacity and are not teachers at a school located in Tennessee to comply with the requirements of Title 8, Chapter 27, Part 3.

As required by T.C.A. §49-13-110, this Agreement includes all components of the Charter School's Application, which is incorporated herein by reference and attached hereto as Exhibit 1.

By signing this Agreement, the Chartering Authority approves the waivers requested in the Charter School's Application. Those requests are attached as part of the approved charter application.

1.2 Term/Effective Date. This Agreement shall be effective July 1, 2023, following signature by the Charter School and the Chartering Authority and filing in the office of the Metropolitan Clerk. The Agreement shall expire on June 30, 2033, unless terminated early or renewed pursuant to the terms of this Agreement.

1.3 Delay in Opening. If the Charter School is not ready to open within the prescribed time, the Chartering Authority may consider a delay for a period not to exceed one academic year.

1.4 Commencement Date. The Charter School shall commence operations with the 2023 - 2024 school year.

1.5 Pre-Opening Process. Upon approval by the Metropolitan Nashville Board of Public Education, the Pre-Opening process will be sent to the Charter School outlining specific actions that must be put in place during the planning year and completed prior to opening with students. If the pre-opening process is substantially incomplete at the time of inspection, MNPS may decide not to open the school until it has completed all pre-opening steps under T.C.A. § 49-13-111 and T.C.A. § 49-13-113.



- 1.6 Charter School Performance.** The operation of the Charter School by the Governing Body shall be subject to the terms and conditions of this Agreement and the Act. Decisions by the Chartering Authority regarding renewal or revocation of the Agreement shall be based upon applicable laws and rules, this Agreement, and/or the academic, organizational, and financial Performance Frameworks incorporated into this Agreement as Exhibit 3.

The Chartering Authority shall have broad oversight authority over the Charter School and may take all reasonable steps necessary to oversee the Charter School's academic, organizational and financial performance, including compliance with this Agreement and applicable law. This oversight authority includes the right, upon reasonable notice to the Charter School, to visit, examine, and inspect the school and its records, and to interview Charter School employees, Governing Body members, students, and families.

The Parties agree that the most critical performance measures are the academic measures, which may include student achievement, student growth measures (including annual measurable objectives and subgroup performance), readiness for successive school levels (middle, high, or post-secondary) and employment, as well as mission specific academic goals defined in the Performance Frameworks.

The Performance Frameworks supersede all assessment measures, educational goals and objectives, financial operations metrics, and organizational performance metrics set forth in the Application and not explicitly incorporated into the Performance Frameworks. The specific terms, form, and requirements of the Performance Frameworks are maintained and disseminated by the Chartering Authority and will be binding on the Charter School.

The Chartering Authority shall – at least annually – monitor and periodically report on the Charter School's progress in relation to the indicators, measures, metrics, and targets set out in the Performance Frameworks. Such reporting shall become part of the Charter School's annual report to the Chartering Authority and the state commissioner of education.

The Chartering Authority shall also conduct an interim review at the end of the fifth year after the effective date of the Agreement, pursuant to T.C.A. § 49-13-121.

The latest adopted edition of the Performance Frameworks shall govern in this Agreement and therefore may be updated to newer edition(s) over the term of this Agreement. Such changes to the Performance Frameworks shall apply to the Charter School as required by law.

- 1.7 Location.** The Charter School is located at 5221 Hickory Hollow Pkwy, Antioch, TN 37013. If the school is located at a site controlled by the Chartering Authority; the use of such site shall be subject to and governed by a Facilities Agreement between the Parties. If the Charter School decides to change the location of the Charter School, the Charter School shall notify the Chartering Authority in writing at least 90 business days prior to any such change of location, so the Chartering Authority can ensure the new location is appropriate and in compliance with the original Application.

- 1.8 Employment Status.** All teachers and other staff of the Charter School shall be employed by the Charter School, not the Chartering Authority. The Charter School is



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required to notify the Chartering Authority within five (5) school days of any staffing changes. Nothing in this Agreement shall prevent the Charter School from contracting with any other non-profit organization to provide employees for the Charter School.

2. Charter School and Chartering Authority Organizational Responsibilities

2.1 Student Enrollment and Retention. The Charter School shall enroll students according to T.C.A. §49-13-113, and, unless otherwise agreed, through the Chartering Authority's application process. The Charter School shall not discriminate with respect to admissions on the basis of race, ethnicity, religion, national origin, English language proficiency, academic or athletic ability, gender identity, sexual orientation or the need for special education and related services as set forth in the Application and the Act. Timely enrollment will ensure access to students records in order for Charter School to determine if students have an Individual Education Program from another school.

The Charter School may enroll students up to a total maximum of 864. Increases in total enrollment numbers by year greater than 5% or 25 students, whichever is less, constitute a material change in this Agreement and are not permitted unless a formal amendment to this Agreement is secured in advance according to the provisions outlined in T.C.A. §49-13-110(b). Reductions in enrollment greater than 5% or 50 students, whichever is less, must be reported to the Charter Authority's Office of Charter Schools and evaluated to determine if the reductions are material under this Agreement. Reductions in enrollment in successive years or changes that affect the life of the Charter School are considered material and require a formal amendment.

If the number of applications exceeds the capacity of a program, class, grade level or building, enrollment shall occur according to the preferences in T.C.A. §49-13-113(b)(2)(A). If enrollment within a group of preferences set out in subdivision (b)(2)(A) exceeds the planned capacity of the Charter School, enrollment within that group shall be determined on the basis of a "lottery" that complies with the quoted statutes.

Year	Grade Level	Total Enrollment	Enrollment Cap*
Year 1	5-12	864	889
Year 2	5-12	864	889
Year 3	5-12	864	889
Year 4	5-12	864	889
Year 5	5-12	864	889
Year 6	5-12	864	889
Year 7	5-12	864	889
Year 8	5-12	864	889
Year 9	5-12	864	889
Year 10	5-12	864	889

* Increases in total enrollment numbers by year greater than 5% or 25 students, whichever is less, are not permitted unless a formal amendment to this Agreement is secured in advance.



The Charter School may not “counsel out” or discourage students, directly or indirectly, from attending the Charter School for any reason, including but not limited to failure to comply with letters of commitment or similar proposed contracts between students, parents, and the Charter School.

- 2.2 Academic Program.** The Charter School shall operate the academic program in accordance with this Agreement and academic state and federal law, including providing the same equivalent time of instruction as other public schools and complying with assessment and accountability laws and rules (T.C.A. §49-13-105).

High schools must pursue and attain accreditation from the accrediting body approved by the state and the Chartering Authority. It is expected that the candidate school status for accreditation will be received during the first year of the Charter School’s operation.

- 2.3 Assessments.** The Charter School must use the required state assessments. School-based formative assessment data may be required by the Chartering Authority.

- 2.4 Exceptional Education.** Special education services, related services, and accommodations for students who are eligible under the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act of 1973 (“Section 504”), the Americans with Disabilities Act (“ADA”), or any applicable provisions of state law, shall be provided in accordance with applicable state and federal law and this Agreement. The Chartering Authority is the local education agency (“LEA”) for purposes of compliance with the Individuals with Disabilities Education Act (“IDEA”).

- 2.4.1 Responsibility of the Chartering Authority.** The Chartering Authority is responsible for monitoring the requirements of federal and state special education law and regulations are met in the Charter School, and that special education direct and/or related services are provided in the Charter School in the same manner as they are provided in the Chartering Authority’s direct-run schools. The Charter School will notify the Chartering Authority’s Special Education Department within 10 school days when they receive Special Education records from another district. This will allow the Chartering Authority to facilitate online Special Education record transfers when possible.

- 2.4.2 Responsibility of the Charter School.** The Charter School is responsible for all aspects of Child Find within the Charter School. The Charter School shall provide a continuum of exceptional education services which complies with federal and state law. The Charter School is responsible for the development and implementation of all special education documents, including the IEP. . Exceptional education services at the Charter School will be delivered by individuals or agencies licensed and/or qualified to provide exceptional education services required by the Tennessee Public Charter Schools Act, the IDEA, and applicable law. Charter School staff may participate in any Chartering Authority professional development related to exceptional education or the provision of services pursuant to Section 504. Whenever possible and appropriate, consistent



with a child's IEP, the Charter School will deliver special education services in the least restrictive environment. The Charter School may also enter into a separate fee for services agreement with a third-party provider of educational services ("Contract Services Provider"), provided that such third party provider complies with all applicable laws and the requirements imposed on contractors by this Agreement. The Charter School will be responsible for monitoring individual case management of all exceptional education students and for arranging the provision of services required by their IEP. The Charter School shall maintain a file documenting the Charter School's compliance with exceptional education requirements.

2.4.3 Costs for Exceptional Education. The Charter School shall bear the financial responsibility for initial evaluations, re-evaluations, and the provision of all services consistent with IEPs. The Chartering Authority will pass federal IDEA funding to the Charter School based on a per pupil allocation calculated each year by the MNPS Dept of Exceptional Education. Funding is available on a reimbursement basis and is based on the count of students with federal disabilities at the Charter School who have an in-date eligibility and IEP. There will be two count dates (one each semester) determined by the MNPS Dept of Exceptional Education. These count dates will be communicated by July 1 each year. In addition, Charter Schools may participate in the annual High Cost Reimbursement Request process. Charter Schools may submit eligible High Cost Reimbursement Requests to the MNPS Dept of Education during June of each year. The Chartering Authority will pool the Charter School Reimbursement Requests with the Chartering Authority requests and the requests with the highest reimbursement amounts will be selected to submit to the Tennessee Dept of Education. If a Charter School High Cost Reimbursement Request is reimbursed by the Tennessee Dept of Education, the Chartering Authority will submit the reimbursed amount to the Charter School once the total High Cost Reimbursement amount is paid to the Chartering Authority.

2.4.4 Compliance. No student shall be denied admission nor counseled out of the Charter School due to the nature, extent, or severity of his/her disability or due to the student's request for, or actual need for, exceptional education services or accommodations pursuant to Section 504 or the IDEA.

The Charter School shall promptly report to the Chartering Authority any and all alleged infractions, complaints, and other non-compliance issues relating to special education.



The Charter School shall indemnify the Chartering Authority for any costs, attorney fees, and/or financial penalties imposed on the Chartering Authority by state and/or federal authorities arising out of actions or omissions of the Charter School relating to special education. The Charter School retains its right to legal counsel of its own choosing related to these matters. The Charter School shall not indemnify the Chartering Authority for costs, attorney fees and/or financial penalties imposed on the Chartering Authority resulting from the Chartering Authority's reckless misconduct or gross negligent act or omissions.

- 2.5 English Learners.** The Charter School shall address the needs of English Learner ("EL") students pursuant to applicable federal and state laws and regulations (including Title III of the Elementary and Secondary Act (ESEA)). The Charter School agrees to maintain and consistently implement a policy to identify students in need of EL services, to provide services in an equitable manner to ensure access to the Charter School's educational program (including the provision to appropriate accommodations), and to facilitate the exit from EL services according to individual student capacitor.

The Charter School must follow the Tennessee State Board of Education English as a Second Language ("ESL") Policy 3.207. The Charter School must meet the state minimum Limited English Proficient ("LEP") student ratio and service delivery requirements. The Charter School shall report to the Chartering Authority the service delivery models, English Learner teacher names (with TN license number), service delivery schedules, and any English Learners staff vacancies as they occur. The Charter School shall maintain a current copy of EL student list, service delivery model(s), and staff schedules indicating the required hours of service are being met.

- 2.6 Student Discipline/Due Process.** The Charter School is responsible for administering their school wide discipline policy in a manner that ensures students' due process rights are satisfied, including the provision of appropriate informal or formal hearings. The Charter School shall notify the Chartering Authority of students expelled within 2 school days. Upon receiving notice, the Chartering Authority will follow the Chartering Authority's procedural process around expulsion and only those offenses deemed expellable by the Chartering Authority's matrix will be expelled, subject to the student's rights available pursuant to the Individuals with Disabilities Education Act ("IDEA") and Section 504 of the Americans with Disabilities Act ("ADA"). All others will return to the Charter School. The Chartering Authority shall provide expelled Charter School students access to the Chartering Authority's alternative school programs in the same manner as it provides access to any student within the LEA.

- 2.7 Student Information Reporting.** While ensuring compliance with federal and state law regarding student records, the Charter School shall report student information as follows:
- Enrollment projections for the coming year no later than February 15.
 - Daily attendance must be recorded daily using the Chartering Authority's student management system.



- Student discipline infractions (incidents, suspensions, and expulsions) must be recorded within 24 hours of the determination using the Chartering Authority's student management system.
- Student enrollment for determining average daily membership by the date required by the department of education.
- The Charter School shall monitor their student population with respect to student withdrawals, suspensions, transfers and expulsions. A quarterly dashboard may be required by the Chartering Authority.

3. Staffing

- 3.1 Teachers.** The Charter School is the employer and shall ensure that teachers are licensed pursuant to state statutes and state board of education rules, and meet applicable federal qualifications, including the hiring of exceptional education certified and ESL certified teachers.
- 3.2 Background Checks.** All current employees of the Charter School who have or will have contact with children at the Charter School within the scope of the individual's employment, and employees of contractors or subcontractors of the Charter School who have contact with children within the scope of the individual's employment, shall complete criminal background checks and receive clearance, in advance of having contact with children, as required by state law. Background checks must be completed every five years for current Charter School employees.
- 3.3 Employee Information.** Charter School has an obligation to provide the Chartering Authority and/or the Metropolitan Government with accurate information regarding its employees. This includes, but is not limited to, new hire information, changes to classification status or work hours, licensure information and termination of employment. The information must be in a format reasonably required by the Chartering Authority or the Metropolitan Government. It shall be a material breach of this Agreement if the information is not provided. If the Charter School fails to provide accurate information and an employee must be switched from the Metropolitan Government pension plan to the Tennessee Consolidated Retirement System ("TCRS"), then the Charter School shall be responsible for making the required payments to TCRS on behalf of their employee. The Chartering Authority or the Metropolitan Government shall only refund up to 2 months of pension payments.

4. Facility

- 4.1** The Charter School shall ensure the Charter School's grounds and facilities comply with applicable health and safety laws, including the Americans with Disabilities Act, state fire marshal codes, and state and local zoning and land use codes.
- 4.2** The Charter School may not commence instruction prior to completion of applicable inspections and receipt of a completed Pre-Opening Actions Checklist (refer to Exhibit 2) from the Chartering Authority.



- 4.3** The Charter School will notify the Chartering Authority's Office of Charter Schools 90 days in advance of any relocation plans of the school.

5. Food Service

- 5.1** If the Charter School offers food services on its own or through a contract, the Charter School may apply directly to, and if approved, operate school nutrition programs with reimbursement from the United States Department of Agriculture ("USDA"), under supervision by the state department of education.
- 5.2** If the Charter School desires to offer food services through the Chartering Authority's Nutrition Services Department ("Nutrition Services"), the following will be applicable:
- 5.3 Full Meal Services:** Nutrition Services will provide onsite meal preparation and service that includes breakfast and lunch offered to all enrolled students. In order to provide full meal services, the Charter School's facility must have a fully operational production kitchen that can properly provide for the number of students being served. A fully operational production kitchen is defined as a facility that provides adequate and proper dry and cold storage, functioning hot-holding and commercial-grade production equipment, adequate production space and service space with functioning serving line(s) equipment and point of sale ("POS") area(s), adequate and functioning cleaning and sanitation equipment, and office space for an onsite manager. Additionally, the facility must be approved for operation by the local health agency and properly permitted prior to Nutrition Services occupying the space.

Nutrition Services personnel may be available to answer questions that the Charter School may have regarding preparing and planning a facility for full meal service and may make specification recommendations; however, due to the complexity of facility construction, the Charter School is highly encouraged to hire a kitchen design professional. Any recommendations provided by Nutrition Services should be considered with those provided by a licensed professional design consultant.

Besides providing meal services, Nutrition Services will have custodial responsibility for all financial operations of the operating site. All meals will be provided in accordance with USDA regulations, counted using Nutrition Services procedures and a reimbursement claim will be submitted monthly to the TN Department of Education Child Nutrition Program office. The Charter School will be invoiced for any services provided by Nutrition Services that are outside of standard meal services (i.e. catering function). Furthermore, the Charter School will be invoiced for net losses if the year-end financials reflect an overall financial operating loss. The amount invoiced would be the amount needed to reach break-even financially. Nutrition Services adheres to federal guidance in CFR 210.14 which states *revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service.*



Hardware and software expenses for reporting and record keeping are included in the operating costs. There will not be a separate invoice for these items; Nutrition Services retains ownership of technology.

- 5.4 Transportation Services:** Nutrition Services can provide transport (satellite) meal service that includes breakfast and lunch offered to all enrolled students. In order to provide transport service, the Charter School must provide or have a designated meal service area that provides for the number of students being served. A transport service site is defined as a facility that provides adequate and proper dry and cold storage, functioning hot-holding and serving line(s) equipment and point of sale ("POS") area, proper and functioning sanitation equipment, and office space. Additionally, the facility must be approved for operation by the local health agency and properly permitted prior to Nutrition Services occupying the space.

Nutrition Services personnel may be available to answer questions the Charter School may have regarding preparing and planning a facility for transport meal service and may make recommendations; however, due to the complexity of facility construction, the Charter School is highly encouraged to hire a kitchen design professional. Any recommendations provided by Nutrition Services should be considered with those provided by a licensed professional design consultant.

Besides providing meal services, Nutrition Services will have custodial responsibility for all financial operations of the operating site. All meals will be counted using Nutrition Services procedures and a reimbursement claim will be submitted monthly to the TN Department of Education Child Nutrition Program office. Furthermore, the Charter School will be invoiced for any services provided by Nutrition Services that are outside of standard meal services (i.e. catering function). The Charter School will incur transportation costs as an additional part of operational expenses should they elect transport services. The Charter School will be invoiced for net losses if the year-end financials reflect an overall financial operating loss. The amount invoiced would be the amount needed to reach break-even financially. Nutrition Services adheres to federal guidance CFR 210.14 which states *revenues received by the nonprofit school food service are to be used only for the operation or improvement of such food service.*

Hardware and software expenses for reporting and record keeping are included in the operating costs. There will not be a separate invoice for these items; Nutrition Services retains ownership of technology.

- 5.5 Termination of Food Service:** The Chartering Authority may terminate the services offered in section 5.3 "Full Meal Services" and section 5.4 "Transportation Services" for convenience at any time upon 30 days written notice to the Charter School. However, the Chartering Authority agrees to continue providing section 5.3 and section 5.4 services through completion of the current school year if so requested in writing by the Charter School. A termination of these services shall not be a breach of this Agreement by the Chartering Authority. Charter School shall not have any right to any actual general,



special, consequential, incidental, or any other damages whatsoever of any description or amount for the Chartering Authority's exercise of its right to terminate for convenience.

6. Transportation

If the Charter School elects to provide transportation for its students, the Chartering Authority shall provide to the Charter School the funds that would otherwise have been spent to provide transportation as provided in T.C.A. § 49-13-114. In order to receive these funds, the Charter School must comply with state laws and state board of education rules regarding student transportation. Transporting students in buses that have not been approved for operation by the Department of Safety may be grounds for non-renewal or revocation of this Agreement.

7. Insurance

The Charter School shall maintain the following insurance:

- General Liability/Automobile Liability Policy: must be equal to or greater than \$5,000,000. This insurance shall be primary insurance. Any insurance or self-insurance programs covering the Metropolitan Government, its officials, employees, and volunteers shall be in excess of this insurance and shall not contribute to it. The first one million dollars must be with a company licensed to do business in the state of Tennessee. The remaining \$4,000,000 can be covered under an excess liability policy (also known as an "umbrella" policy). The general liability policy must name the Metropolitan Nashville Public Schools (2601 Bransford Avenue, Nashville, TN 37204) as an additional insured. The policy must cover contractual liability. Automobile coverage shall cover vehicles owned, hired, and non-owned.
- Professional Liability Policies: Directors and Officers Policy equal to or greater than \$5,000,000. Teachers Professional Liability Policy equal to or greater than \$1,000,000.
- Workers Compensation and Employers Liability Policy: The amount of coverage required for Workers Compensation is determined by statute. Charter School must comply with state statutes. Employers Liability must be a minimum of \$100,000.
- Property and Boiler Insurance Policy: If the Charter School purchases the property that will be used by the Charter School, it shall purchase "all risks" property and boiler insurance. Insurance shall be for the full replacement cost of the property and contents with no coinsurance penalty provision.
- Sexual Abuse: \$1,000,000 required coverage.

Certificates of insurance, in a form satisfactory to the Chartering Authority, evidencing coverage shall be provided to the Chartering Authority prior to opening of the Charter School. Throughout the term of this Charter Agreement, Charter School shall provide updated certificates of insurance upon expiration of the current certificates.

8. Governance



- 8.1** The Charter School's Articles of Incorporation, a Certificate of Incorporation evidencing its incorporation as a nonprofit and evidence of its exemption from federal taxation under IRC § 501(c)(3), its Bylaws and amendments or modifications thereto shall be made part of this Agreement.

The Governing Body shall comply with the provisions of T.C.A. §49-13-109.

The Charter School shall comply with all applicable provisions of the Tennessee Open Meetings Act, including with regard to the scheduling of Governing Body meetings, meeting agendas, public notice of meetings, and records of those meetings. At the start of each school year the Charter School shall provide to the Chartering Authority a schedule of Governing meetings for that school year.

As required by T.C.A. § 49-13-111(g), the Governing Body shall be subject to the conflict of interest provisions contained in T.C.A. § 12-4-101 and 102.

- 8.2 Complaints.** The Governing Body shall be the first avenue for response in case of any complaints or grievances filed against the Charter School or its employees and volunteers. The Governing Body will ensure that the Charter School establishes policies and procedures for employees and will make those policies available to students, parents/guardians, employees and any other persons who request it. If grievances persist following the actions of the Governing Body, those complaints will be investigated and resolved by the Chartering Authority. Investigation and sanctions by the Chartering Authority are limited to alleged violations of laws or the Charter Agreement.

The Charter School shall notify the Chartering Authority of any inappropriate contact between teacher(s) against students within 24 hours of being notified of the incident. This notification shall include all reports involving law enforcement, protective services, and/or media.

The Charter School shall notify the Chartering Authority immediately if at any time the Charter School receives notice or is informed that it is a party to a lawsuit.

- 8.3** The Charter School shall report the following to the Chartering Authority within five (5) days of change:
- The names and contact information of individuals who leave or join the Governing Body;
 - Names and contact information of any individuals who, during the prior quarter, resign from or are hired to a leadership position in the Charter School, including any administrative position; and
 - Any change to the Charter School's corporate legal status or any change in its standing with the Tennessee Secretary of State's Office.

- 8.4 Waivers.** A list of the Chartering Authority's approved waivers can be found in the appendices.



9. Finance

9.1 State and Local Funds. The Chartering Authority shall allocate one hundred percent (100%) of state and local funds to the Charter School on a per pupil expenditure as provided in T.C.A. § 49-13-112 and as calculated by the formula provided by the Tennessee State Department of Education. The Chartering Authority shall allocate funds to the Charter School after each interval in accordance with the ten (10) attendance reporting intervals. The Chartering Authority may withhold funds to cover the costs of participation in the LEA's benefits and retirement plans by the Charter School's employees, pursuant to T.C.A. §§ 49-13-112 and 119.

9.2 Fee for Services Agreement. The Parties may enter into a separate fee for services agreement, for the provision of services not already identified in this Agreement by the Chartering Authority to the Charter School (e.g., computer network services, food services, exceptional education providers, professional development services). Failure of the Charter School to enter such an agreement shall not be grounds for revocation or non-renewal of this Agreement.

9.3 Tuition. The Charter School shall not charge tuition, except to students residing outside the LEA enrolling in the Charter School pursuant to the enrollment requirements of T.C.A. § 49-13-113 and the Chartering Authority's out of district transfer policy (and said policy's tuition limit).

9.4 Charter School Debt. The Charter School is solely responsible for all debt it incurs, and the Chartering Authority shall not be contractually bound on the Charter School's account to any third party. The Chartering Authority shall not be liable for the Charter School's unpaid debts if the Charter School does not have sufficient funds to pay all of its debts in the event that it ceases operations.

The Charter School shall notify the Chartering Authority immediately of a default on any obligation owed to the Chartering Authority, which shall include debts for which payments are past due by sixty (60) business days or more, deficit fund balance, and/or tax liens. If debts are incurred in the provision of employee benefits pursuant to T.C.A. § 49-13-119, the Chartering Authority may withhold the amount owed from the monthly payment until such debts are satisfied. Any other debts owed to the Chartering Authority must be satisfied prior to the release of the last annual payment.

9.5 Financial Management. The Charter School shall control and be responsible for financial management and performance of the Charter School including budgeting and expenditures. Before receiving Basic Education Program (BEP) through the Chartering Authority, the Charter School must demonstrate (if not already demonstrated in the Application) the existence of appropriate governance and managerial procedures and financial controls including:

- Accounting methods complying with T.C.A. § 49-13-111(m),



- A checking account,
- Adequate payroll procedures,
- An organizational chart,
- Procedures for the creation and review of monthly and quarterly financial report, including identification of the individual responsible for preparing such financial reports in the following fiscal year,
- Internal control procedures for cash receipts, disbursements, and purchases, and
- Maintenance of asset inventory lists and financial procedures for federal grants in accordance with applicable federal law.

Should the Charter School fail to comply with the above requirements, the Chartering Authority reserves the right to require more frequent reports as indicated in the Performance Management policies.

The Charter School shall comply with T.C.A. § 49-13-111, 120, and 124 regarding completion and submission of annual financial reports and audits to the Chartering Authority and the state. In addition, the Charter School shall submit quarterly financial reports to the Chartering Authority and any other financial and/or operational reports pursuant to T.C.A. § 49-13-111.

9.6 Financial Records. All financial records of the Charter School pertaining to the management and operation of the Charter School are subject to inspection and production as required for fulfillment of the Chartering Authority's fiduciary responsibilities.

10. Amendments

Pursuant to T.C.A. § 49-13-110, an amendment shall not become effective, and the Charter School may not take action or implement the change requested in the amendment until the amendment is approved by the Chartering Authority.

Not all changes to school operation constitute material changes to the Agreement that require an amendment. However, the following changes are considered material and require an amendment:

- Changes in any Material Term of this Agreement;
- Changes in the Charter School's mission/academic focus set forth in this Agreement;
- Changes in governance structure (including, but not limited to, a change in the non-profit entity governing the school), or addition of or changes to the charter management organization;
- Changes in signing authority for the school;
- Changes in the agreed upon structure of the school's grade span;
- Changes in student enrollment which fall outside of the minimum or maximum enrollment thresholds set forth in this Agreement;
- Changes in the plan to provide transportation to students attending the Charter School;



- Changes to the Charter School's location, if outside the geographic area set forth in this Agreement;
- Changes in the school calendar that reduce the calendar days at all in the first year of operation, by more than ten (10) calendar days in subsequent years, in the absence of timely notification of parents, or below the requirement to provide at least the same equivalent time of instruction as required in regular public schools in T.C.A. § 49-13-105; and
- And any additional changes that may be added to the Rules of the State Board of Education (reference 0520-14-01-.06).

Educational program matters not specifically identified in this Agreement shall remain within the Charter School's authority and discretion.

The following changes do not require an amendment, but the Charter School must notify the Chartering Authority of any of the following within thirty (30) days:

- Changes to the budget submitted in the attached Application, subject to the requirements of state and federal law,
- Changes in the mailing address, phone or fax number, or web address of the Charter School;
- Changes in the members and duties of the Governing Body, and
- Changes in the school leader or, if applicable, the chief executive of the charter management organization.

11. Renewal, Revocation, Closure and Dissolution

11.1 Renewal. Pursuant to T.C.A. § 49-13-121, the Charter School may apply for renewal of this Charter Agreement by application submitted no later than April 1 of the year preceding the year in which this Agreement expires and in accordance with the Chartering Authority's renewal policies. The Agreement may be renewed without modification, except for the incorporation by attachment of the approved renewal application. The Parties may also amend the Agreement as part of the renewal process. Any proposed amendments to the Agreement that are rejected by one of the Parties shall constitute a denial of the renewal application, and the application may be appealed to the State Board of Education within ten (10) days of the decision to deny.

The Chartering Authority may elect not to renew this Charter Agreement pursuant to T.C.A. § 49-13-121, for any of the applicable reasons in T.C. A. § 49-13-122, including a material violation of any of the conditions, standards or procedures set forth in this Agreement.

11.2 Revocation. During the term of this Agreement, the Chartering Authority may, but is not required to, provide notice to the Charter School of non-compliance with applicable laws, rules, or this Agreement. The Chartering Authority may give the Charter School an opportunity to cure the non-compliance prior to instituting revocation proceedings pursuant to T.C.A. § 49-13-121 and 122.



The Chartering Authority may, but is not required to, follow a progressive system of notifications and calls for corrective action on the part of the Charter School.

The Chartering Authority may revoke this Charter Agreement for any reason set forth in T.C.A. § 49-13-122, including a material violation of any of the conditions, standards, or procedures set forth in this Agreement.

If the Chartering Authority determines that any grounds for revocation exist, it may revoke this Charter Agreement according to the procedures set forth in T.C.A. § 49-13-122.

11.3 Closure and Dissolution. In the event that the Charter School is required to cease operation for any reason, including but not limited to non-renewal, revocation, or voluntary surrender of the charter, the Charter School shall cooperate with the Chartering Authority to ensure orderly closure of the Charter School. The Chartering Authority will be responsible for addressing the following:

- Timely notification of parents and teachers of the closure decision;
- Securing student records and transporting them to the Chartering Authority;
- Assisting in placing students in appropriate schools;
- Managing all financial records consistent with the Chartering Authority's school closure requirements and policies;
- Disposal of school assets in accordance with the Act and this Agreement. "School Assets" shall be defined to include only those assets directly related to the operation of schools within the Chartering Authority and shall not include any other assets the Governing Body may hold in other regions;
- Reassignment of all acquired federally funded equipment; and
- Any additional processes identified in the current Authorization/Resource Handbook in the Chartering Authority's Office of Charter Schools.

Dissolution of the Charter School following revocation or non-renewal shall comply with T.C.A. § 49-13-110(c). The Charter School shall be responsible for winding down operations, including payment of any and all debts, obligations, or liabilities incurred at any time by the Charter School. Under no circumstances shall the Chartering Authority be responsible for such obligations.

12. Indemnification and Hold Harmless

The Chartering Authority and Charter School each shall give prompt written notice to the other of the assertion of any claim or the commencement of any litigation for which indemnification is sought and shall cooperate with each other in the defense of the claim or litigation.

The Charter School shall indemnify and hold harmless the Chartering Authority, its officers, agents and employees from:

- Any claims, damages, costs and attorney fees for injuries or damages arising, in part or in whole, from the negligent or intentional acts or omissions of the Charter School, its



officers, employees, and/or agents, including its sub- or independent contractors, in connection with the performance of this Agreement, and,

- Any claims, damages, penalties, costs and attorney fees arising from any failure of the Charter School, its officers, employees, and/or agents, including its sub- or independent contractors, to observe applicable laws.

13. Contract Construction

13.1 Waiver. The failure of either Party to insist on strict performance of any term or condition of this Agreement shall not constitute a waiver of that term or condition, even if the Party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

13.2 Non-assignability. No right or interest in this Agreement shall be assigned by anyone on behalf of the Charter School, and delegation of any contractual duty of the Charter School shall not be made without prior written approval of the Chartering Authority. A violation of this provision shall be grounds for immediate termination of this Agreement and revocation of the Charter School.

Should the Charter School propose to enter into a contract with another non-profit entity to manage the Charter School, the Charter School agrees to submit all information requested by the Chartering Authority regarding the management arrangement, including a copy of the proposed contract and a description of the management company, with identification of its principals and their backgrounds. The Charter School shall not enter into a management contract without written approval from the Chartering Authority.

13.3 Agreement. The Parties intend this Agreement, including all attachments and exhibits, to represent a final and complete expression of their agreement, which shall be considered the Agreement. All prior representations, understandings and discussions are merged herein, and no course of prior dealings between Parties shall supplement or explain any terms used in this document. The Parties recognize that amendments to this Agreement may be executed from time to time hereafter.

13.4 Survival of Representations and Warranties. All representations and warranties hereunder shall be deemed to be material and relied upon by the Parties with or to whom the same were made, notwithstanding any investigation or inspection made by or on behalf of such Party or Parties. The representations and warranties covered in this Agreement will survive the termination or expiration of this Agreement.

13.5 Severability. The provisions of this Agreement are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition, and the remainder of the Agreement shall remain in effect unless otherwise terminated by one or both of the Parties.



MNPS Contract: 7551089

13.6 Authority. The individual officers, agents, and employees of the parties hereto who execute this Agreement do hereby individually represent and warrant that they have full power and authority to execute this Agreement.

13.7 Notice. Any notice required or permitted under this Agreement shall be in writing, sent via electronic or other means, and shall be effective immediately upon personal delivery, subject to verification of service or acknowledgement of receipt, or three (3) business days after mailing when sent by certified mail, postage prepaid.

13.8 Notices and Designation of Agent for Service of Process. Notice of assignment of any rights to money due to the Charter School under this Agreement MUST be mailed or hand delivered to the attention of the DIRECTOR OF FINANCIAL OPERATIONS, FINANCIAL OPERATIONS, METROPOLITAN BOARD OF PUBLIC EDUCATION, 2601 BRANSFORD AVENUE, NASHVILLE, TN 37204, with a copy to the recipient for Chartering Authority notices listed below.

13.8.1 All other notices to Chartering Authority shall be mailed or hand delivered to:

Dept: Procurement
 Attn: Director of Procurement
 Addr: 2601 Bransford Avenue, Nashville, TN 37204
 Phone: (615) 259-8400
 E-mail addr: purchasing@mnps.org

13.8.2 Notices to Charter School shall be sent to:

Charter School: Intrepid College Prep
 Attn: Abigail Rockey, CEO
 Addr: 5221 Hickory Hollow Pkwy, Antioch, TN 37013
 Phone: 215.285.4622
 E-mail addr: brockey@intrepidcollegeprep.org

13.8.3 Charter School designates the following as the Contractor's agent for service of process and will waive any objection to service of process if process is served upon this agent:

Designated Agent: Intrepid College Prep
 Att'n: Abigail Rockey, CEO
 Addr: 5221 Hickory Hollow Pkwy, Antioch, TN 37013
 Phone: 215.285.4622
 E-mail addr: brockey@intrepidcollegeprep.org

13.8.4 Charter School's Federal Tax I.D. Number: 45-4616636

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MNPS Contract: 7551089

**THE METROPOLITAN GOVERNMENT OF NASHVILLE
AND DAVIDSON COUNTY BY AND THROUGH THE
METROPOLITAN NASHVILLE PUBLIC SCHOOLS:**

APPROVED:

Rachel Elrod
MBPE Board Chair

RECOMMENDED:

Kevin Edwards
Director of Procurement

Shereka Roby-Grant
Department Head

Renita Perry
Executive Staff Member

APPROVED AS TO AVAILABILITY OF FUNDS:

Account #: 80701457.502309.0 kk
[Signature]
Chief Financial Officer
DocuSigned by:
Kelly Flannery/ap R
Metropolitan Director of Finance

APPROVED AS TO INSURANCE:

Balogun Cobb
Metropolitan Director of Insurance

APPROVED AS TO FORM AND LEGALITY:

Justin Marsh
Metropolitan Attorney

CHARTER SCHOOL:

Intrepid College Prep

Charter School Name

Abigail Rockey
Signature

Abigail Rockey

Name

CEO
Title

7/12/2023 | 8:39 AM CDT

Date

GOVERNING BODY OF CHARTER SCHOOL:

Mary Cypress Metz
Signature

Mary Cypress Metz
Name

Board Chair
Title

7/19/2023 | 10:40 AM CDT

Date

**FILED IN THE OFFICE OF THE
METROPOLITAN CLERK:**

Austin Kyle
Metropolitan Clerk

7/31/2023 | 11:57 AM PDT

Date Filed

Tennessee Charter School Renewal Application

Applicant Information Cover Page

Charter School Name: Intrepid College Prep

Charter School Address: 5221 Hickory Hollow Pkwy. Antioch, TN 37013

Charter School Phone: (615) 810-8443

CMO Name (if applicable): N/A

Authorizer Name: Metro Nashville Public Schools Board of Education

Name of Charter School Primary Contact Person: Abigail Rockey, CEO

Primary Contact Phone: (215) 285-4622

Primary Contact Email: arockey@intrepidcollegeprep.org

Date Charter Awarded: May 29, 2013

First Year of Operation: 2013-2014

Date Charter Expires: June 30, 2023

Current Year Student Enrollment & Demographics			
Total Enrollment	% Economically Disadvantaged	% Students with Disabilities	% English Learners
846	79%	8.5%	36%

Proposed Grade Levels and Student Enrollment for Next Charter Term

First year of new charter term: 2023-2024		
	Grade Levels	Total Student Enrollment
Year One	5-12	864
Year Two	5-12	864
Year Three	5-12	864
Year Four	5-12	864
Year Five	5-12	864
Year Six	5-12	864
Year Seven	5-12	864
Year Eight	5-12	864
Year Nine	5-12	864
Year Ten	5-12	864



Assurances

As the authorized representative of the school, I hereby certify that the information submitted in this renewal application is true, to the best of my knowledge and belief, and if awarded a charter, the school will:

1. operate as a public, nonsectarian, non-religious public school, with control of instruction vested in the governing body of the school under the general supervision of its authorizer and in compliance with its charter agreement and the Tennessee Public Charter Schools Act of 2002⁴;
2. follow all federal, state and local laws and regulations that pertain to the operation of a public school, unless waived according to T.C.A. § 49-13-111(p);
3. provide special education services for students as provided in Tennessee Code Annotated Title 49, Chapter 10, Part B of the Individuals with Disabilities Education Act; Title II of the Americans with Disabilities Act of 1990, and Section 504 of the Rehabilitation Act of 1973;
4. adhere to all applicable provisions of federal law relating to students who are English learners, including Title VI of the Civil Rights Act of 1964 and the Equal Educational Opportunities Act of 1974;
5. follow all federal and state laws and constitutional provisions prohibiting discrimination on the basis of disability, race, creed, color, national origin, religion, ancestry, or need for special education services;
6. comply with all provisions of the Tennessee Public Charter Schools Act of 2002, as amended;
7. employ individuals to teach who hold a license to teach in a public school in Tennessee;
8. comply with Open Meetings and Open Records laws (T.C.A. §§ 8-44-101 *et seq.*; 10-7-503, 504);
9. not charge tuition, except for students transferring from another district to the school pursuant to the local board's out-of-district enrollment policy and T.C.A. § 49-6-3003;
10. follow state financial (budgeting and audit) procedures and reporting requirements according to T.C.A. § 49-13-111, 120 and 127;
11. require any member of the governing body, employee, officer or other authorized person who receives funds, has access to funds, or has authority to make expenditures from funds, to give a surety bond in the form prescribed by T.C.A. § 8-19-101;
12. maintain all necessary and appropriate insurance coverage;
13. obtain all necessary permits, licenses, and certifications related to fire, health, and safety within the school building and on school property;
14. notify its authorizer immediately of any change in circumstances that may have a significant impact on the school's ability to fulfill its goals as stated in its charter agreement; and
15. submit a request to amend its charter agreement if the school plans to make a change to its operations.

Signature: _____

Title: CEO

Date: March 31, 2022

⁴ Tennessee Public Charter Schools Act of 2002, [T.C.A. §§ 49-13-101-145](#).

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Executive Summary

The mission of Intrepid College Prep is to ensure that our scholars, educators, and families have the opportunity to unlock an unlimited future. Our core values are to **Ignite Passion, Seek Knowledge, and Inspire the Bravery** needed to have a **profound impact in our world**. Intrepid College Prep educates students in grades 5-12 in the Antioch community of Southeast Nashville. The Intrepid Network is comprised of Opportunity Academy Middle School and Independence Academy High School. Intrepid College Prep was established to help change realities for Antioch-area students, and to provide a college preparatory choice for parents and families.

The majority of students in Antioch-area public schools are low-income students, students of color, and English Language Learners- all of whom only have a one in ten chance of completing a four-year college degree. Moved by these statistics, as well as a history of low literacy and math achievement rates, founder Mia Howard launched Intrepid College Prep in 2012 and welcomed its inaugural class in 2013. Eight years later, in the fall of 2021, National Student Clearinghouse records showed 94% of Intrepid's first graduating class entered college, a rate that is more than 40% higher than recent district averages.¹

While celebrating the accomplishments of our first graduating class, we understand we must not rest, and that our community faces a crisis in college completion and equitable workforce outcomes. Currently, The Nashville Public Education Foundation and Tennessee College Access and Success Network report that only 27% of MNPS graduates are earning any sort of college degree or certificate; this number is even lower for students of color, standing at 17.8% for Hispanic students and 22.6% for Black students. With a deeply committed team of experienced educators, we are motivated to close both the academic achievement and subsequent wealth gaps in Nashville reflected in these numbers.

Our philosophy of change is built on four main tenets, all of which are founded upon the belief that all students, regardless of race, socio-economic status, or home language, deserve an academically rigorous education that prepares students for unlimited futures.

Strong Academics

Intrepid's schools continue to operate under the academic pillars laid out in its charter application:

- All students can achieve at high levels when high-quality instruction is provided.
- Intrepid invests in exceptional teachers to achieve exceptional results.
- Intrepid provides a rigorous and literacy-rich curriculum.
- Intrepid measures results, not intentions.
- Intrepid fosters a culture of success.

High expectations culture

Our small school environment provides a platform for high levels of learning, student achievement, and efficiency. We have high expectations for our students, which leads to a safe, joyful, and focused classroom setting.

¹ Nashville Public Education Foundation. Bridge to Completion 2021. Retrieved from <https://nashvillepef.org/wp-content/uploads/2021/05/Bridge-to-Completion-2021.pdf>

College Prep Focus

Our curriculum has a focus on college preparation, rigorous academics, and ethics, which are all essential for success in higher education and the professional world beyond.

Strong Parent Communication

We believe that our parents must be informed and partners in their student's academic success. We have an open-door policy at our schools and want our parents to be involved.

Intrepid strongly believes in producing results for the families we serve. We understand and acknowledge that our team will always have room to improve and grow, but we are confident that both Opportunity Academy and Independence Academy are high quality schools, as demonstrated by:

- **College Going Rate (CGR) of 94%** in 2021, which is forecasted to be the **highest in the district** upon the upcoming release of citywide data.
- Independence Academy ranked **first** among open enrollment high schools based on 2018 TNReady performance.
- Opportunity Academy was named a **Tennessee Reward School** in 2015 and 2018 for student achievement and growth.
- Intrepid students seized the opportunity to earn the Volunteer State **Seal of Biliteracy Award** and the Pathway to the Seal of Biliteracy Award in five different languages.
- Over **85% of Intrepid students return from the previous year**, and over the past three years, our overall network average has increased by 6%.
- In the past three years, the number of applications received for grades 5-9 **has increased by 40%**
- Our community believes in Intrepid; family referrals make up **40%** of our applicants

Last academic year, the Intrepid team **earned official accreditation status** through the Cognia Accreditation Process.² Upon completion of the formal Engagement Review, the accreditation team noted, **“The school has developed a strongly unified culture, supported by highly intentional processes, which revolves around a belief that all students have the potential to excel academically beyond high school.”** Given our history of academic success, organizational reflection, and a sincere desire to continue serving one of the fastest growing communities in Nashville, we respectfully advocate for an additional ten year charter term.

²Cognia School Engagement Review #311839. Full 17 page report is available upon request and has not been attached due to length limitations.

Section I- Academic Success

The school has been faithful to its mission and vision, and to its academic focus and plan.

Over the past nine years, we have become a proof point of our mission, “Intrepid College Prep is committed to ensuring our students, educators, and families have the opportunity to unlock an unlimited future. By providing rigorous academic instruction and creating powerful relationships amongst our community’s members, we ignite passion, seek knowledge, and inspire the bravery needed to have a profound impact in our world.”

We are rooted in the Antioch community and live out our mission of offering an outstanding academic alternative to neighboring schools. For context, the majority of Intrepid’s middle school students are zoned to two local middle schools (Apollo and Antioch Middle). About 85% of Intrepid’s high school students are zoned to one of two local high schools (Antioch High and Cane Ridge).

Post-secondary enrollment, the current best determination of a student pursuing their unlimited future, shows that the students who have experienced the Intrepid 5-12 model are succeeding at rates double or triple their peers. In fact, **Intrepid graduates are forecasted to have the highest rate of college matriculation of any public school in Nashville.**³

	Intrepid College Prep	MNPS	Cane Ridge	Antioch High School
% of 2021 graduates enrolled in college	94%	46.9%	39%	34%

Progress Towards Academic Goals and Academic Achievement

The school met or made sufficient progress toward achieving the academic goals as defined in its charter agreement. The school has demonstrated strong academic achievement and growth results over the course of the current charter term, as measured by state assessments and TVAAS scores. Intrepid College Prep has consistently met or exceeded expectations on the local board's annual performance evaluation.

Intrepid ensures that all students have the opportunity to grow as learners and achieve strong academic outcomes, as measured by Intrepid’s progress towards the academic goals outlined in its charter agreement. We utilize a 5-12 vision that focuses on measuring and celebrating academic growth at the middle school level and academic achievement in high school, setting the ACT as the ultimate gatekeeper for college acceptance. Intrepid College Prep has made progress towards achieving the academic goals outlined in its charter application. MNPS’s Office of Charter Schools’ 2022 Cumulative Reevaluation Report found that “During the 9 years of your charter contract with MNPS you have **consistently academically performed at a rating of good standing with the district.**”

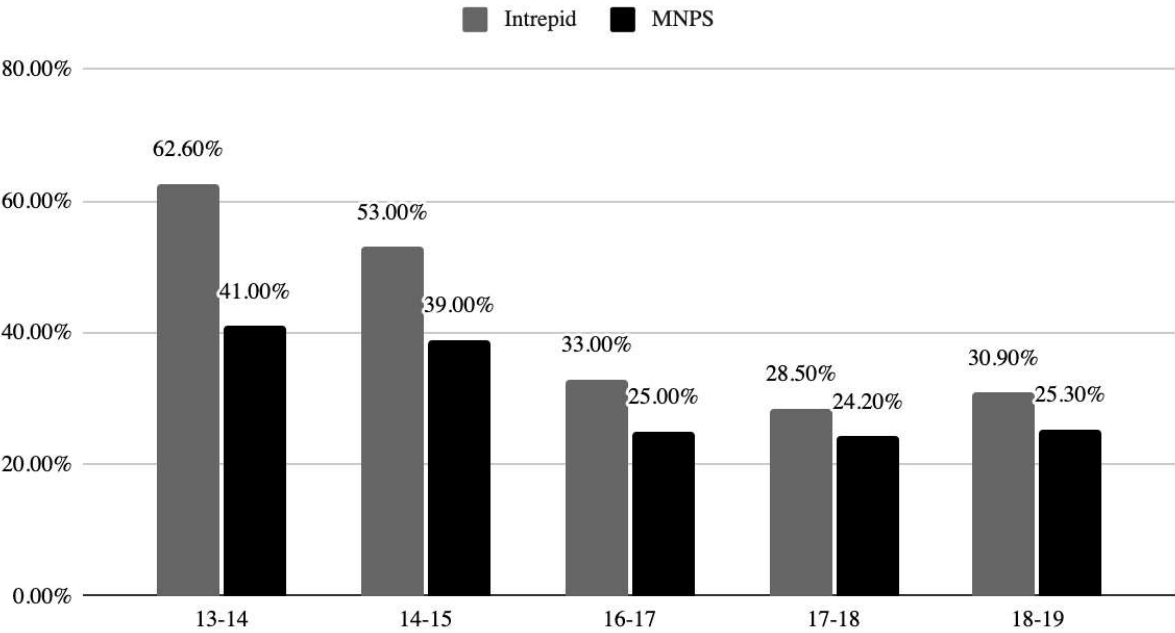
³ Bridge to Completion Report and National Student Clearinghouse Data.

Goal I: All students at Intrepid College Prep are proficient readers, speakers and writers of the English Language.

English Language Arts (ELA) instruction at Intrepid uses Achievement First’s **affirming, inclusive, rigorous, and outcomes-driven curriculum**. For example, middle school ELA teachers instruct students for 100 minutes each day in reading and writing. During these classes, Intrepid students analyze texts in independent reading and class discussion loops, closing most days with an opportunity for synthesis writing. Students engage in text-based study of a variety of genres, including historical fiction, informational texts, memoirs, fiction, drama, and poetry. ELA instruction at the middle school level values building both disciplinary and content knowledge and does so with an intentional, vertical Tennessee Academic Standards aligned scope and sequence and symbiosis in reading and writing. Additionally, opportunities for vocabulary acquisition and building real world knowledge through embedded non-fiction are frequent and varied.

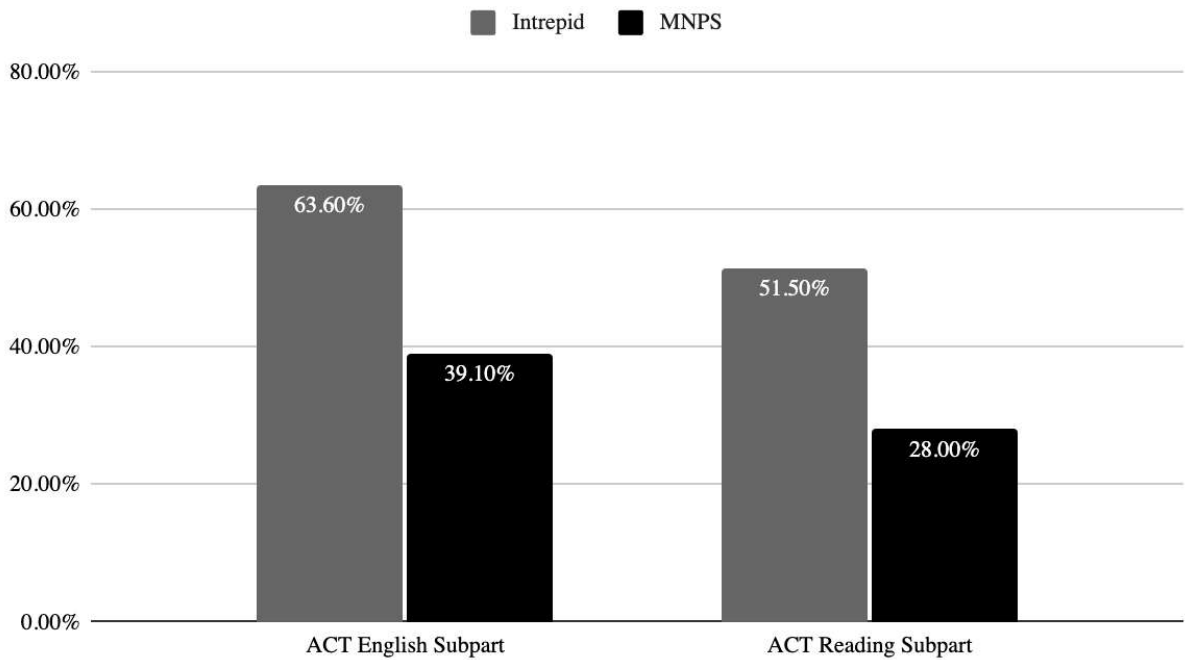
In high school, students complete eight English Language Arts credits over four years. Each year, they enroll in one course in the Literature & Language Strand and one course in the Composition Strand. This course progression is intended to deeply develop students’ reading and writing abilities in preparation for the rigors of college.

Table 1: Intrepid students consistently outperform their MNPS peers, as shown by % of students scoring Level 3 or Level 4 on ELA TCAP Assessment



Additionally, the percentage of Intrepid’s 2021 graduating class meeting ACT English and Reading benchmarks was significantly higher than that of MNPS.

Table 2: Percentage of students meeting college-ready ACT English and Reading benchmarks at Intrepid and MNPS



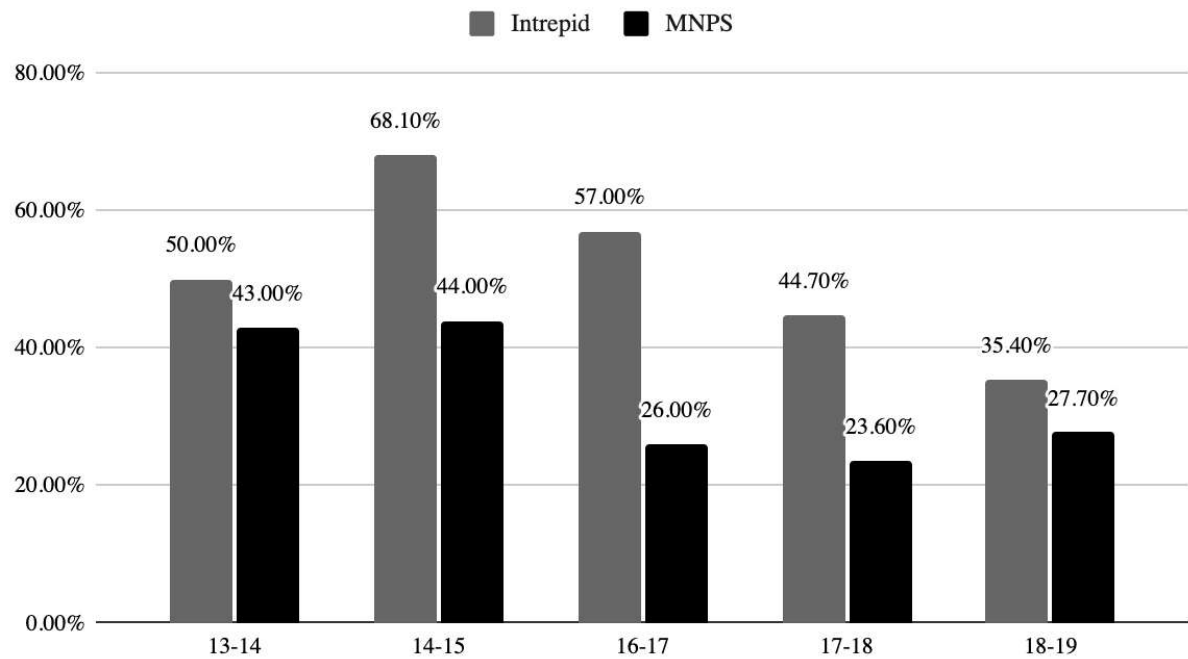
Goal II: All students at Intrepid College Prep demonstrate proficiency in the understanding and application of mathematical computation and problem solving.

Math instruction at Intrepid uses Achievement First’s vertically and Common Core-aligned curriculum in middle and high school. To ensure that our students have mathematical proficiency and understanding, our math teachers pursue daily practice for students in:

- **Conceptual understanding:** The standards call for conceptual understanding of key concepts, such as place value and ratios. Students must be able to access concepts from a number of perspectives in order to see math as more than a set of mnemonics or discrete procedures.
- **Procedural skills and fluency:** The standards call for speed and accuracy in calculation. Students must practice core functions, such as single-digit multiplication, in order to have access to more complex concepts and procedures. Fluency must be addressed in the classroom or through supporting materials, as some students might require more practice than others.
- **Application:** The standards call for students to use math in situations that require mathematical knowledge. Correctly applying mathematical knowledge depends on students having a solid conceptual understanding and procedural fluency.

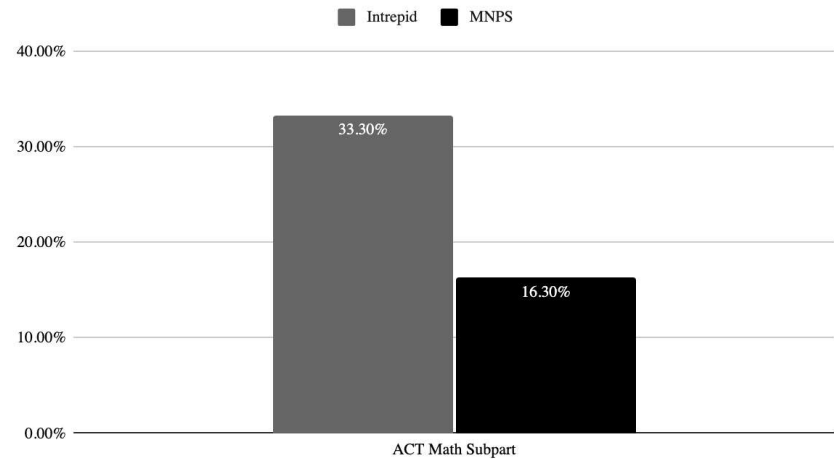
Before the Covid-19 pandemic, Intrepid students consistently outperformed the district at the middle and high school level on the Math TCAP assessments.

Table 3: Percentage of students scoring at Level 3 or Level 4 on the Math TCAP assessment



Additionally, the percentage of Intrepid’s 2021 graduating class meeting ACT Math subject test benchmarks was higher than that of MNPS.

Table 4: Percentage of students meeting college-ready ACT Math benchmarks at Intrepid and MNPS



Goal III: All students at Intrepid College Prep demonstrate proficiency in understanding and application of financial literacy, business, and entrepreneurship principles.

In our initial 2013 charter application, Intrepid's founder identified financial literacy, business, and study of entrepreneurship principles as a major component of Intrepid's academic foundation, identifying financial literacy coursework as a component of the academic program.

However, since 2013, Tennessee's Department of Education has also recognized the importance of strong financial knowledge and instituted a Personal Finance course as a requirement for high school graduation. Due to this change, and based on feedback from staff and caregivers, Intrepid has chosen to integrate the original Financial Literacy coursework into the College Preparatory curriculum strand offered at Independence Academy High School.

The College Preparatory curriculum strand offers all students the opportunity to take four courses focused on increasing executive functioning skills, working on self-advocacy, and understanding decision making and sound judgment. Over the four years of high school, students each complete one course that includes a focus on financial literacy, covering age-appropriate topics such as money management and responsible spending. During the final College Prep course, Senior Seminar, all seniors participate in the required TDOE Personal Finance course during the second semester. During this semester, students complete an intensive study of income, money management, spending and credit, and saving and investing.

During the first few years of operation, students and their caregivers gave salient feedback about the Financial Literacy component at the middle school. The vast majority of stakeholders supported condensing the coursework and reallocating it to the high school so that students in grades 5-8 could participate in more arts exposure and health and wellness programming. By refocusing on Financial Literacy in high school, Opportunity Academy Middle School has been able to diversify its classes for students. Instead of a four year-long study of financial literacy, middle school students now receive increased time on physical wellness, mindfulness, vocal music, and visual art.

The response to this change has been universally positive. High school students have reported that the financial literacy units and the Personal Finance course feel meaningful and have immediate applicability. Both middle school students and their caregivers have articulated that offering more diverse courses, in place of financial literacy, has improved the quality of their school experience.

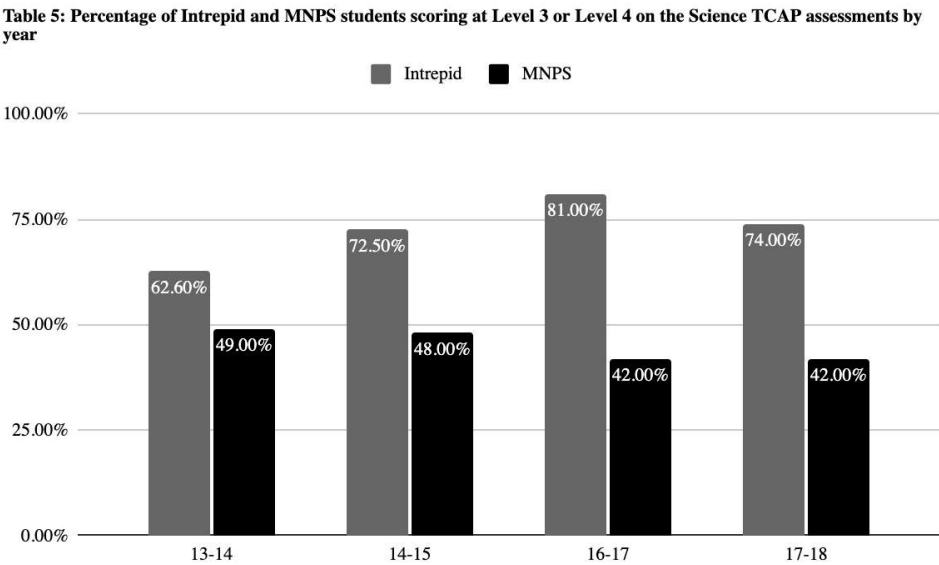
Goal IV: All students at Intrepid College Prep demonstrate proficiency in understanding and application of scientific principles.

Intrepid's science program prioritizes students' ability to develop explanations for scientific questions and their ability to design solutions to problems in the human world using data and evidence. All grade levels use Achievement First's vertically-aligned curriculum which utilizes the **5E Learning Cycle**, outlined below.

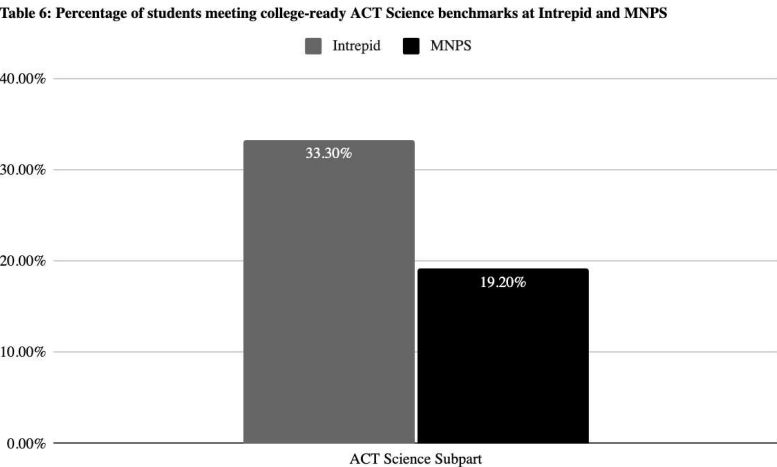
- **Engage:** Students develop curiosity about scientific concepts and practices by developing and identifying questions to investigate. Students access relevant prior knowledge.
- **Explore:** Students conduct investigations and research to gather evidence. Students participate in experiences that enable them to make meaning of scientific phenomena.
- **Explain:** Students formally develop explanations for scientific phenomena by building on learning from previous days and integrating new information.

- **Elaborate:** Students apply and use scientific concepts and vocabulary in new situations in order to deepen understanding of content, concepts, and practices.
- **Evaluate:** Students demonstrate depth and breadth of understanding of scientific concepts and practices to themselves and others, including peers and teachers.

Prior to the disruption to learning created by the Covid-19 pandemic, Intrepid consistently outperformed the district on the TCAP Science assessments, seeing at least 10% more students score at a Level 3 or Level 4 than MNPS each year. Please note that no data is available for the SY 18-19 due to the nature of the science field test.



In addition, Intrepid’s percentage of students meeting college-ready ACT science benchmarks at Intrepid was 33.3%, which is over 14% higher than the number of MNPS students who met college-ready ACT science benchmarks in the class of 20-21.

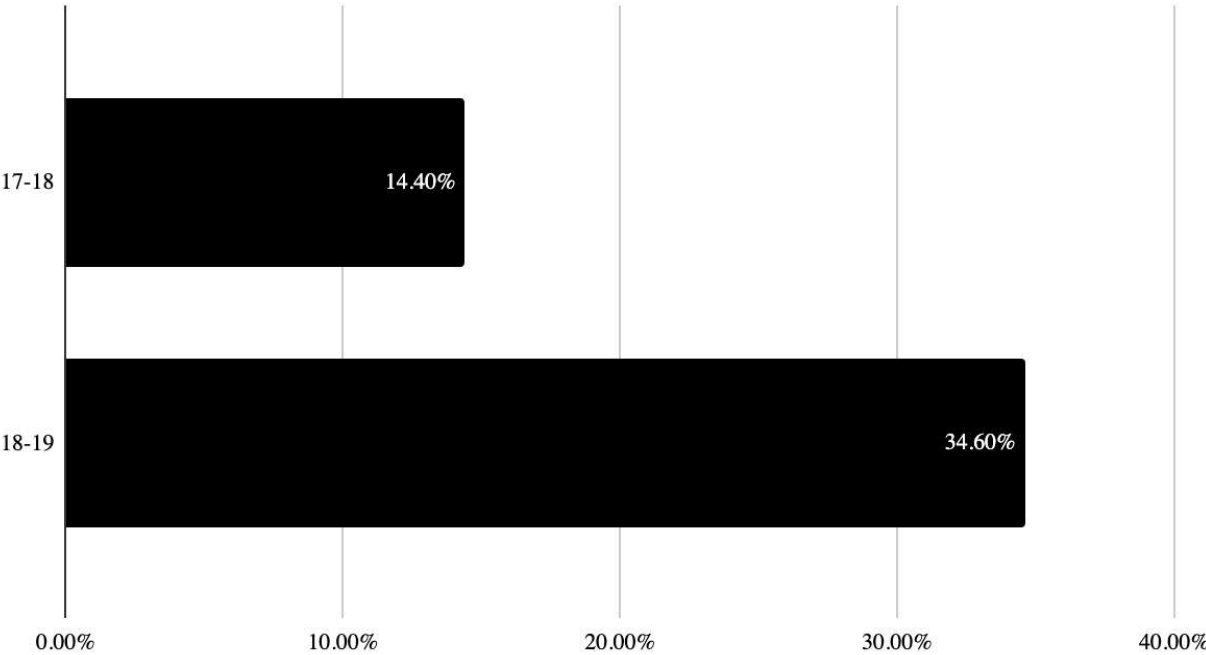


Goal V: All students at Intrepid College Prep demonstrate proficiency in understanding and application of principles related to the social sciences.

Current social studies courses at Intrepid prepare students for the rigorous work of collegiate level social science study by focusing on primary source document analysis and using a vertically scaled document-based question (DBQ) rubric, aligned to that used on a variety of AP history exams. Intrepid’s social studies courses build both disciplinary and content knowledge. Beginning in the 5th grade, students are asked to contextualize ideas, source documents, draft theses, select and use evidence, and analyze documents. This disciplinary work continues throughout the social studies course progression at Intrepid’s middle and high school as students build knowledge on local, state, national, and global history - emphasizing the perspectives of underrepresented voices, including people of color and women.

Intrepid’s founding administrators chose to integrate the teaching of social sciences into literacy classes, but data on state assessments revealed that this approach was not successful. When the Intrepid Social Studies department began using Achievement First’s externally created curriculum in the 18-19 school year, the percentage of Intrepid students scoring at a Level 3 or Level 4 on the Social Studies TCAP rose 20.2 points compared to the previous year.

Table 7: Percentage of Intrepid students scoring at Level 3 or Level 4 on the Social Studies TCAP assessments by year



Goal VI: All students at Intrepid College Prep are proficient readers and writers of the Latin language and successfully apply their understanding of Latin language to the vocabulary and structure of the English Language and the technical vocabulary of the sciences.

In its initial charter application, the founding team identified proficiency in Latin as an academic goal for Intrepid’s students. However, beginning in the SY 20-21, we replaced our Latin courses with Spanish.

This decision was made, after input from students, teachers, and caregivers, **in order to be more culturally responsive to the needs and desires of the Antioch community**. Of the Intrepid students who do not speak English at home, 80.3% of these students speak Spanish. Intrepid's Spanish language strand includes two pathways for study of the language, including courses for students new to Spanish and courses for native speakers. This framework provides differentiated opportunities for Intrepid's students, celebrating the heritage of its student population and responding to the feedback from its community. Additionally, during SY 21-22 twenty-five Intrepid students enrolled in Intrepid's **first AP language course, AP Spanish Language and Culture**.

We have taken another step in its effort to celebrate the existing strengths of the Antioch community by offering all students the opportunity to earn the **Volunteer State Seal of Biliteracy Award** and the **Pathway to the Seal of Biliteracy Award**, beginning in SY 20-21. These awards recognize students who have studied and attained proficiency in two or more languages. The awards **promote bilingual pride** and **celebrate the linguistic diversity** of Intrepid's community. During the SY 20-21 and SY 21-22, students were assessed for proficiency in Amharic, Arabic, French, Somali Maaxa, Spanish, and Yoruba.

Goal VIII: English Language Learners increase language proficiency levels.

Intrepid serves English Language Learners based in the U.S. Department of Education's six steps of progression through an ELL program: (1) enrollment in school; (2) identification of potential ELLs; (3) assessment determining need for ELL services; (4) provision of appropriate ELL services; (5) transition from ELL services; and (6) monitoring ability to participate meaningfully. In implementing its ELL program, Intrepid College Prep has complied with all applicable laws including Title VI of the federal Civil Rights Act of 1964 (as amended) and the federal Equal Educational Opportunities Act of 1974.

Intrepid's student population has grown and diversified throughout its existence. During SY 21-22, more than 700 of Intrepid's 846 enrolled students do not speak English as their primary home language. In fact, **more than fifteen different languages are spoken in the homes of our students, including but not limited to Spanish, Kurdish, Somali, and Burmese**. In the past three years, our ELL population has doubled. In order to meet the needs of this growing population, we have hired additional English Language Learning teachers. Although the number of ELL-certified teachers has increased throughout Intrepid's history, **we have consistently had a larger percentage of ELL students show proficiency on the ELA and Math TCAP exams than the percentage of MNPS students**. This is likely due to a historic focus on professional development and coaching designed to ensure that all teachers at Intrepid are effective at creating accommodations for English Language Learners and utilizing differentiation strategies during instruction.

Table 8: Percentage of ELL students scoring at Level 3 or Level 4 on the ELA TCAP assessment

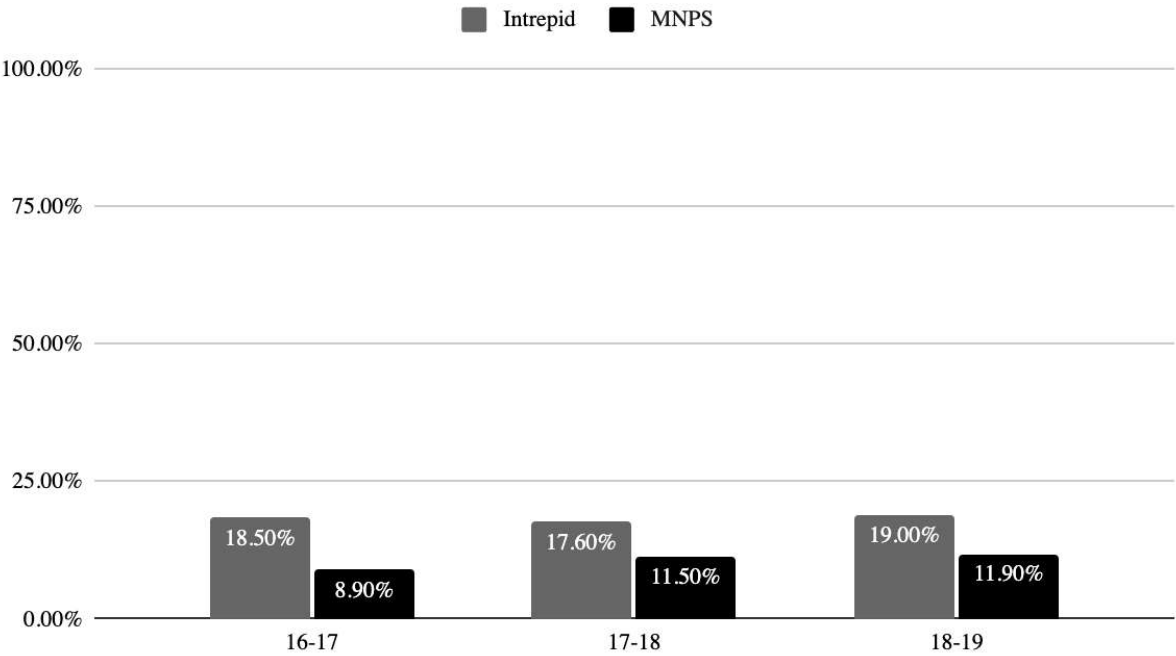
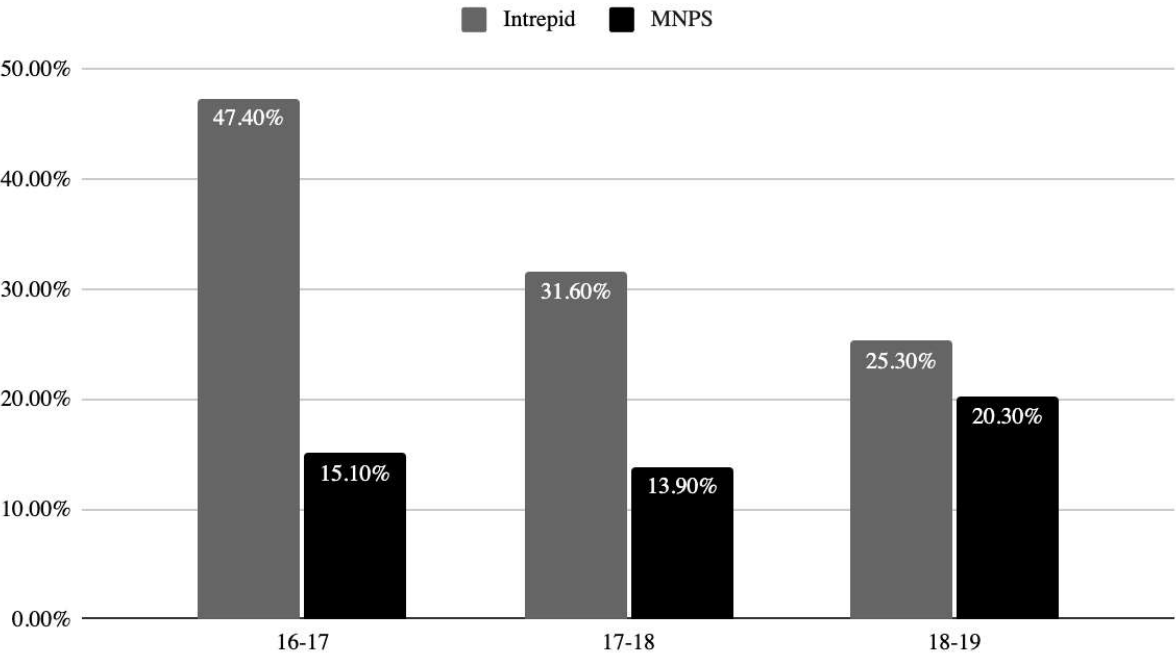


Table 9: Percentage of ELL students scoring at Level 3 or Level 4 on the Math TCAP assessment



Additional information on the ways in which Intrepid has continued to increase English Language Learners’ language proficiency can be found in the “Diverse Learners” section of this document.

Goal IX: Intrepid College Prep students demonstrate mastery of college readiness skills.

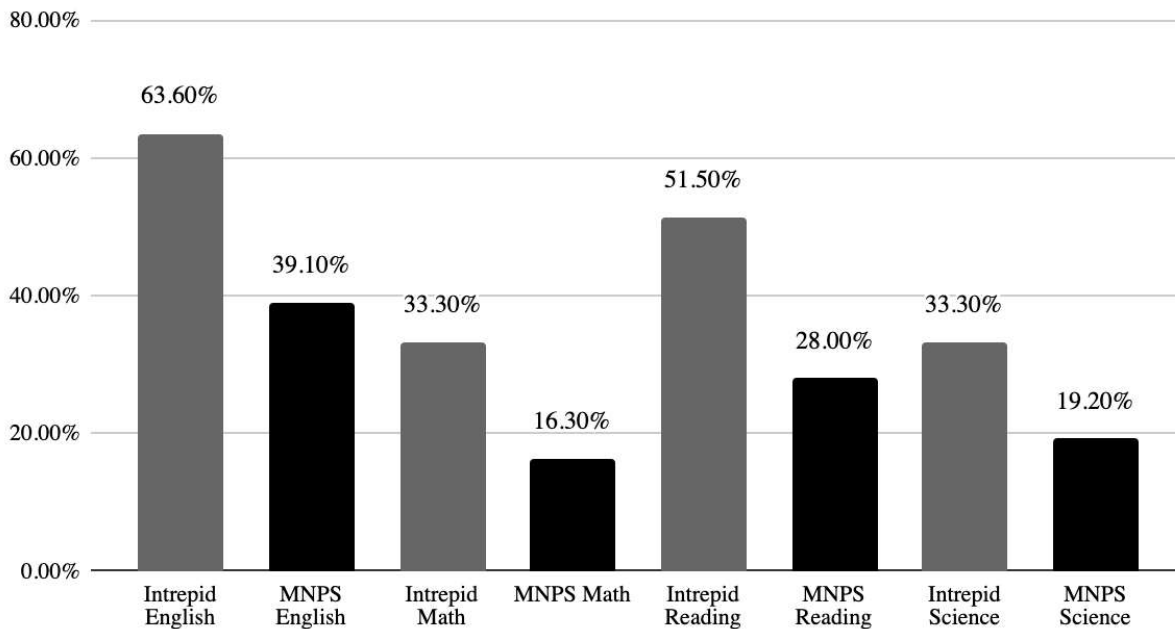
Intrepid’s mission is to provide all students with the academic and character skills they need to have an unlimited future, to succeed in a competitive world, and to serve as the next generation of college educated leaders in their communities. Beyond content knowledge and cognitive strategies, being college ready includes other abilities seldom taught in schools that help students succeed despite the unknowable yet inevitable challenges of college and life. Intrepid has developed four year-long College Readiness courses to prepare students to be successful, independent young adults, equipped with the tools to succeed academically, socially and emotionally in high school, college, and life.

Our College Readiness courses are designed to ensure the following outcomes for students:

- Students cultivate a college-going identity.
- Students take ownership of their learning in high school, college, and life success.
- Students develop college to career connections and long-term vision.
- Students become critical consumers of post-secondary options.
- Students learn personal finance skills and develop the ability to navigate financial aid.

Intrepid graduated its first class of seniors in 2021. Of these students, **48.5% met ACT composite college ready benchmarks⁴, which is 22.8% above the district average.** A larger percentage of Intrepid’s 2021 seniors met college-ready benchmarks than MNPS in all four ACT subject areas.

Table 10: Percentage of students meeting college-ready ACT benchmarks at Intrepid and MNPS by subject test



Additionally, the percentage of historically under-resourced students who met the ACT composite college ready benchmark was significantly higher than that of MNPS.

⁴Jeff Allen, PHD, and Justine Radunzel, PHD. ACT. (2017, October). What Are the ACT College Readiness Benchmarks?

Table 11: Percentage Black/Hispanic/Native American students meeting college-ready benchmarks at Intrepid and MNPS

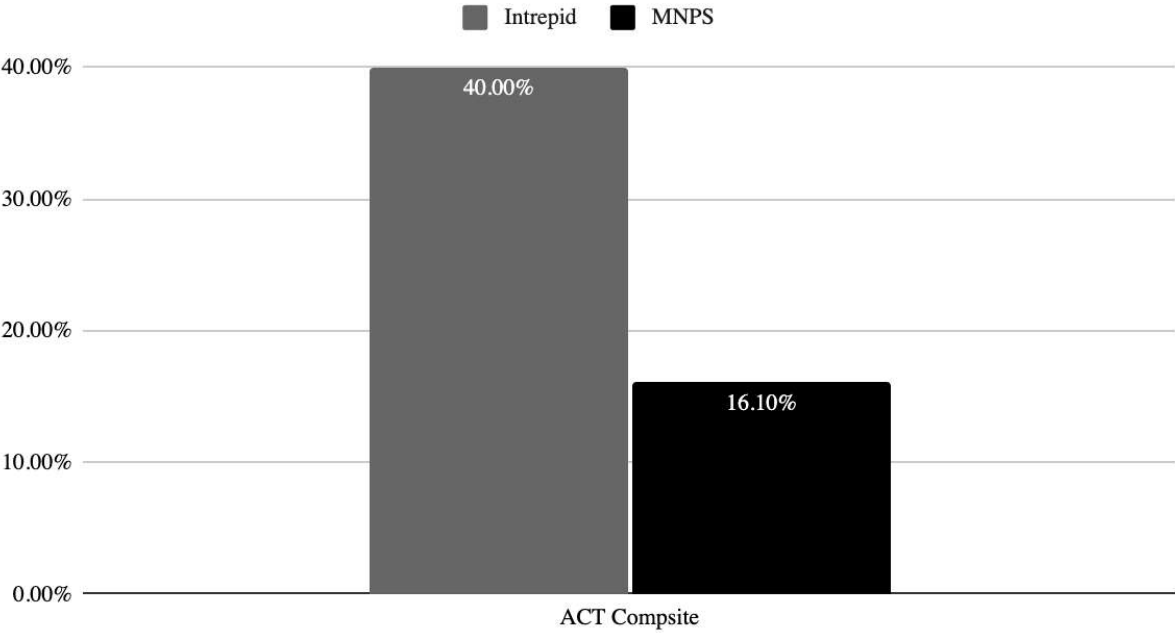
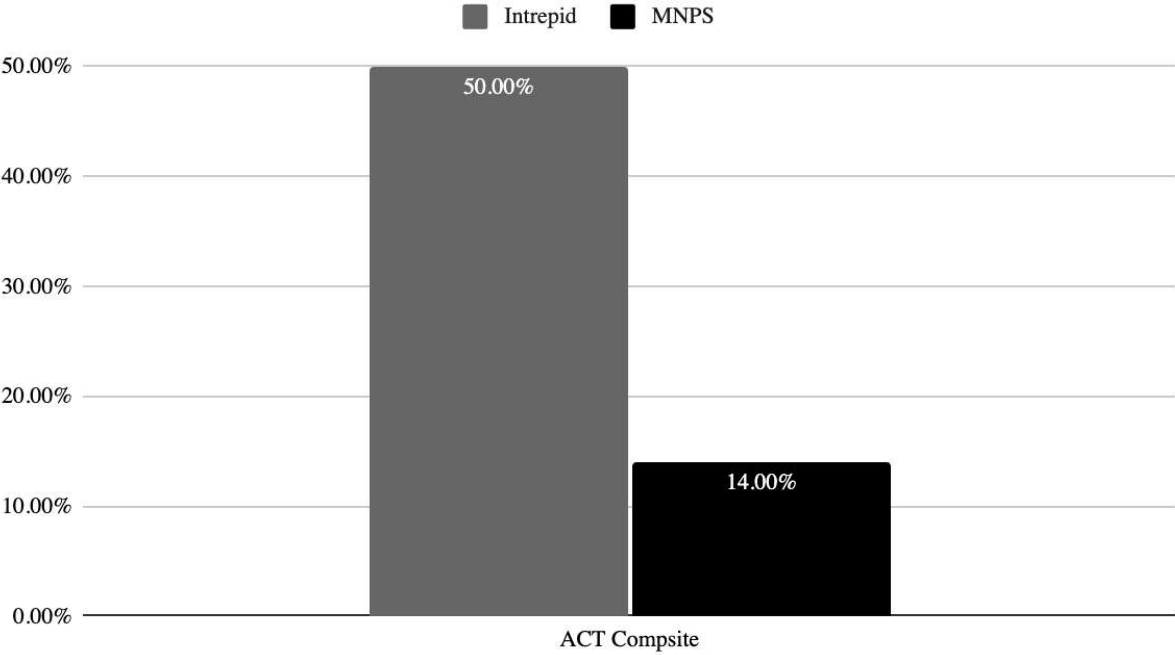


Table 12: Percentage Economically Disadvantaged students meeting college-ready benchmarks at Intrepid and MNPS

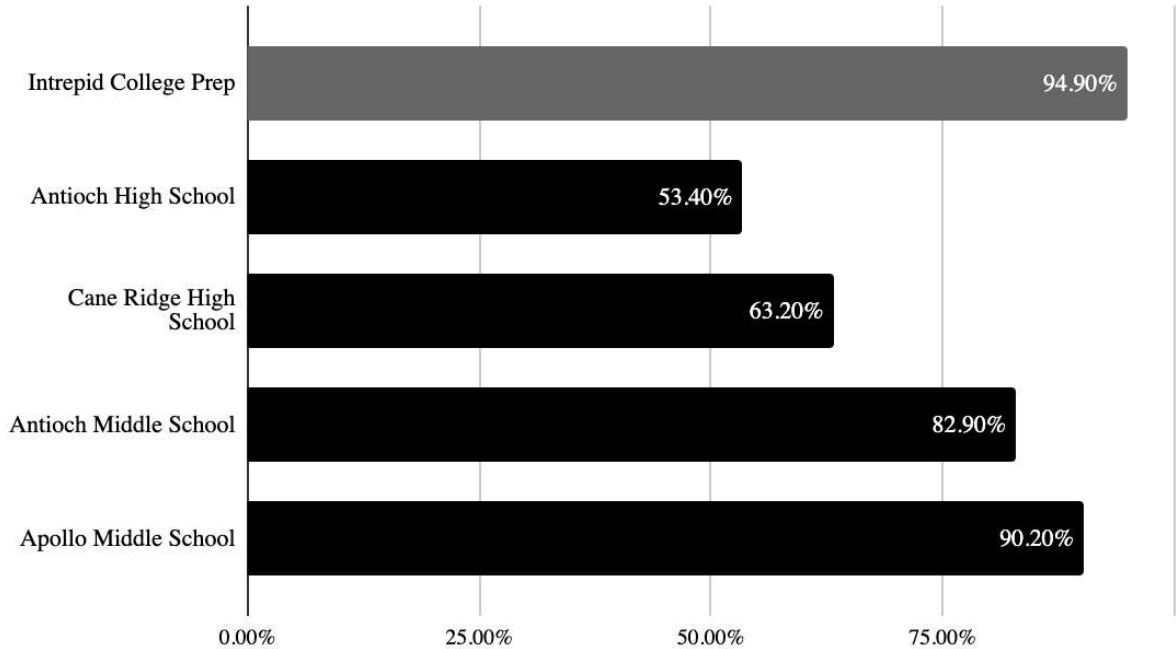


Covid-19

During the Covid-19 pandemic, Intrepid made the challenging decision to remain in virtual instruction from March 2020 through May 2021. When making this decision, our leaders took into consideration CDC data for community spread in Antioch, as well as caregiver and staff feedback. The decision to remain remote throughout the school year was a difficult one, and, like students across the nation, Intrepid’s students experienced slower academic progress compared to historic data. However, as a school organization deeply embedded within its community, we chose a path that ensured student and staff safety.

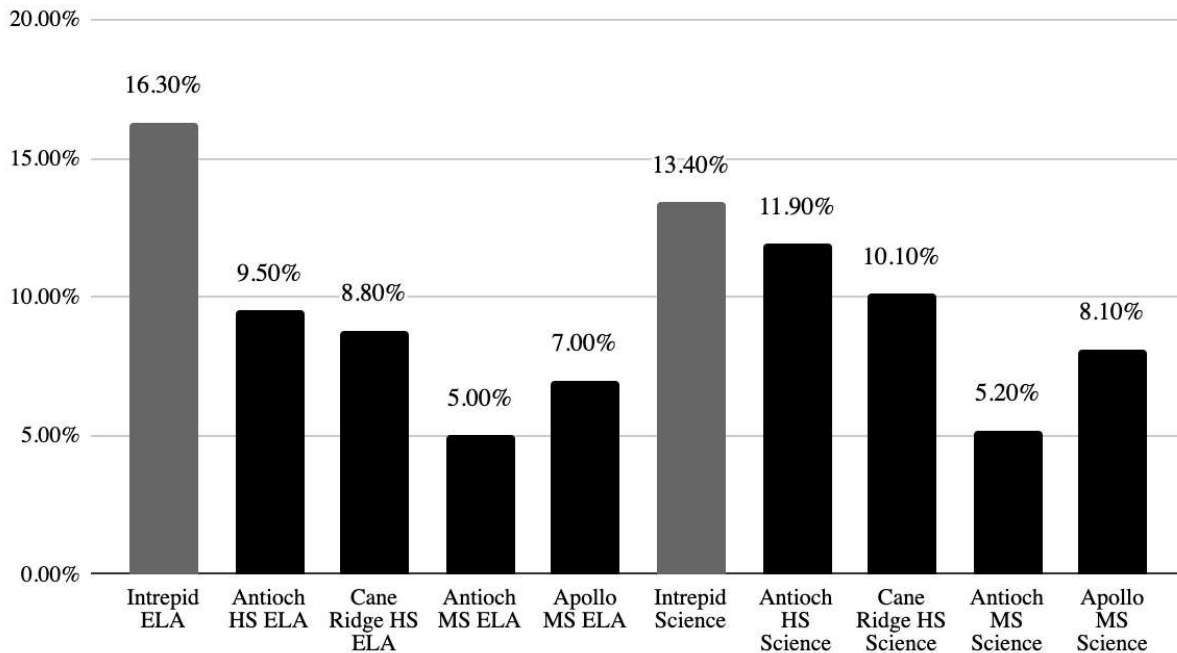
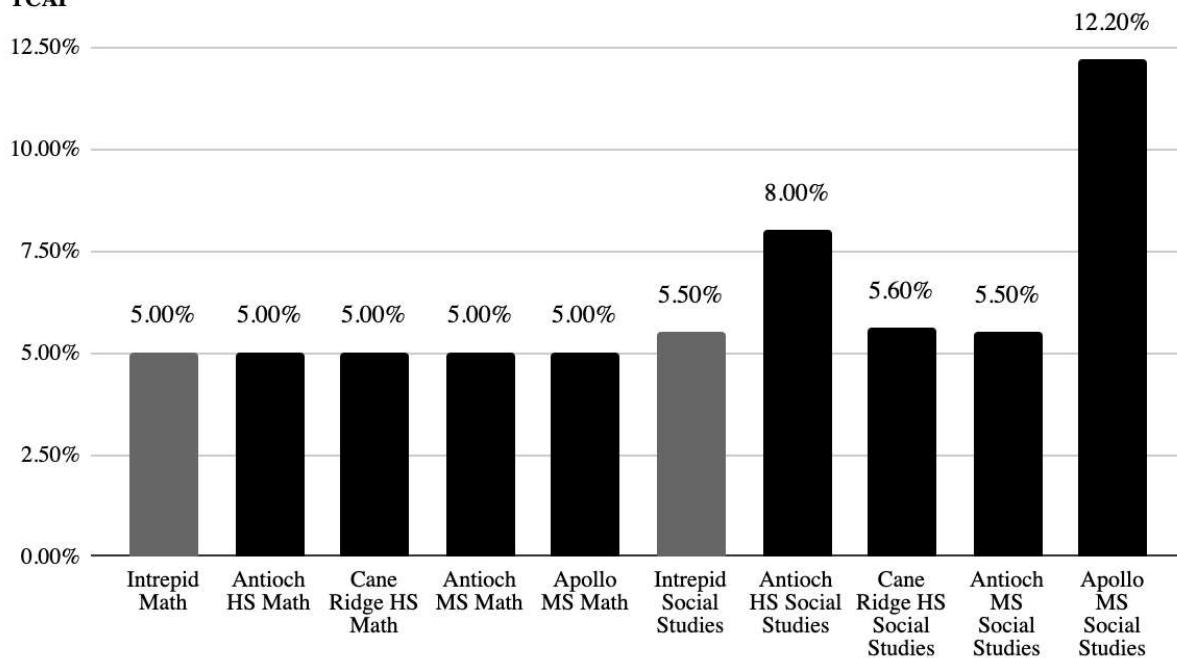
In accordance with the Tennessee Department of Education’s in-person testing mandate, Intrepid’s students returned to the building in May 2021 for the TCAP assessments. During these testing days, Intrepid had higher attendance compared to other Antioch schools.

Table 13: Student Attendance during 20-21 TCAP Assessments 3



Our high attendance during state testing demonstrates our position as an **academically-focused institution in the Antioch community**. Additionally, these numbers give additional context to Intrepid’s comparative success on several of the TCAP exams.

Despite remaining virtual throughout the school year, Intrepid significantly outscored all neighboring schools on the SY 20-21 ELA TCAP exam. These results are particularly notable considering that **Intrepid’s student testing participation rate was nearly 40% higher than Antioch’s two local high schools**. Intrepid’s students also outscored all four schools on the 20-21 Science TCAP and earned scores consistent with neighboring schools on the Math and Social Studies TCAP assessments.

Table 14: Percentage of students scoring a Level 3 or Level 4 on the ELA and Science TCAP assessment in 20-21**Table 15: Percentage of Students at Level 3 or Level 4 enrolled in Antioch schools on the 20-21 Math and Social Studies TCAP**

Although the disruptions caused by the Covid-19 pandemic were deeply challenging, Intrepid remained true to its academic pillars by continuing to deliver high-quality, literacy-rich instruction by exceptional

teachers. Additionally, Intrepid’s commitment to measuring results, not intentions, within a culture of success allowed Intrepid’s leaders to intentionally respond to Intrepid’s 20-21 TCAP results.

Closing Achievement Gaps

The school has made progress toward closing achievement gaps for all students. The school demonstrates clear and compelling evidence of successful student outcomes for diverse learners.

Intrepid College Prep serves a diverse community of learners. As a Title I school, 79% of students come from economically disadvantaged households. Additionally, 92% of Intrepid students identify as students of color. We seek to not only close achievement gaps for these traditionally under-resourced populations, but to celebrate the history and culture of our students of color through the use of culturally responsive instructional practices.

Historically Under Resourced Populations

Intrepid has increased academic outcomes for all students; however, our traditionally under-resourced learners have demonstrated particularly compelling evidence of academic growth and achievement.

Intrepid’s Economically Disadvantaged (ED) students have consistently outperformed their district peers on the English Language Arts and Math TCAP exams, averaging 18.5% more students “On-Track” or “Mastered” in these core content areas before the Covid-19 pandemic.

Table 16: Percentage of Intrepid and MNPS Economically Disadvantaged students scoring at Level 3 or Level 4 on the ELA TCAP assessments by year

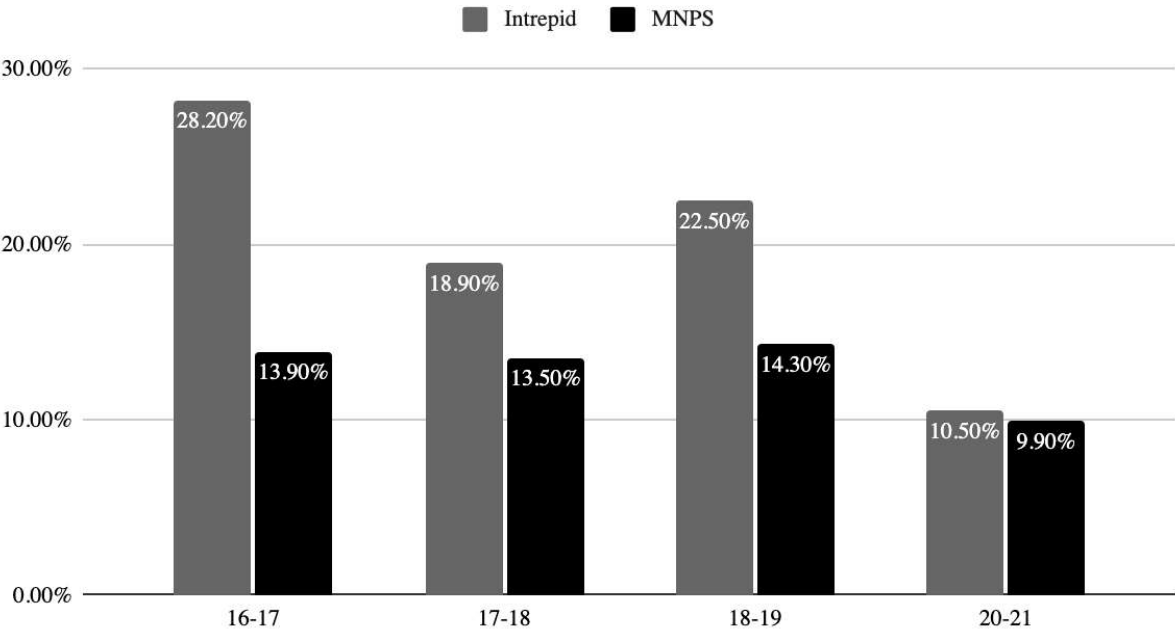
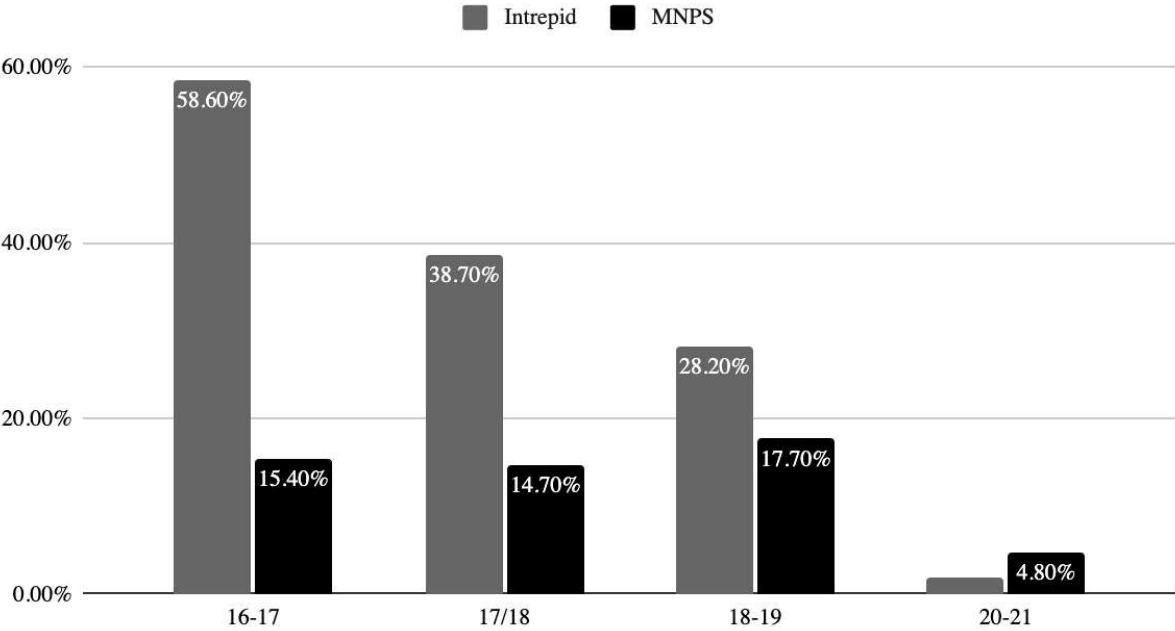
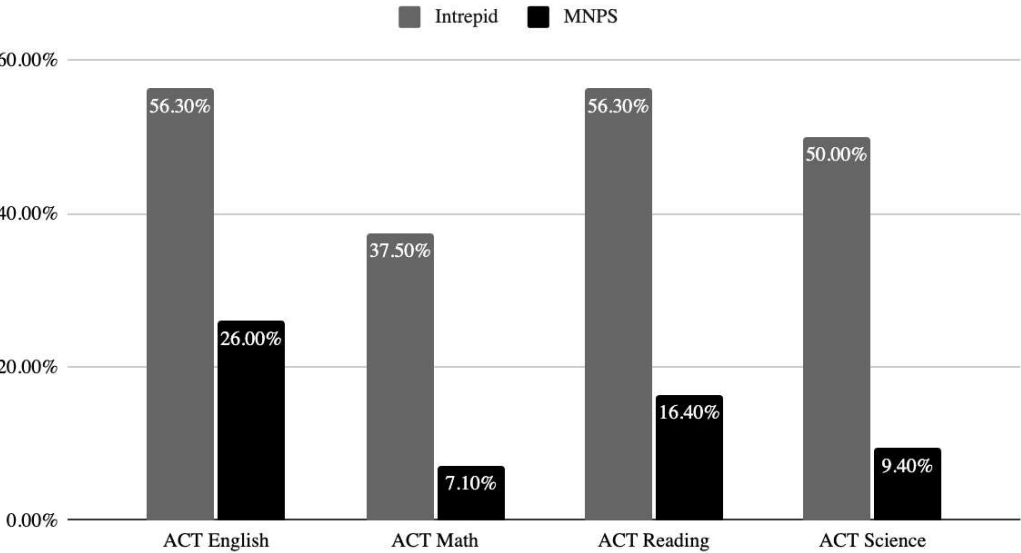


Table 17: Percentage of Intrepid and MNPS Economically Disadvantaged students scoring at Level 3 or Level 4 on the Math TCAP assessments by year



Additionally, the percentage of ED students who met college-ready ACT subject test benchmarks for the graduating class of 2021 at Intrepid was significantly higher than the percentage of ED students attending MNPS schools who met college-ready subject test benchmarks on the ACT.

Table 18: Percentage Economically Disadvantaged students meeting college-ready subject test benchmarks at Intrepid and MNPS



Intrepid’s students of color have also consistently outperformed their district peers on the English Language Arts and Math TCAP exams; Intrepid has averaged 19.5% more students of color “On-Track” or “Mastered” in these core content areas than those attending MNPS schools before the Covid-19 pandemic.

Table 19: Percentage of Intrepid and MNPS Black/Hispanic/Native American students scoring at Level 3 or Level 4 on the ELA TCAP assessments by year

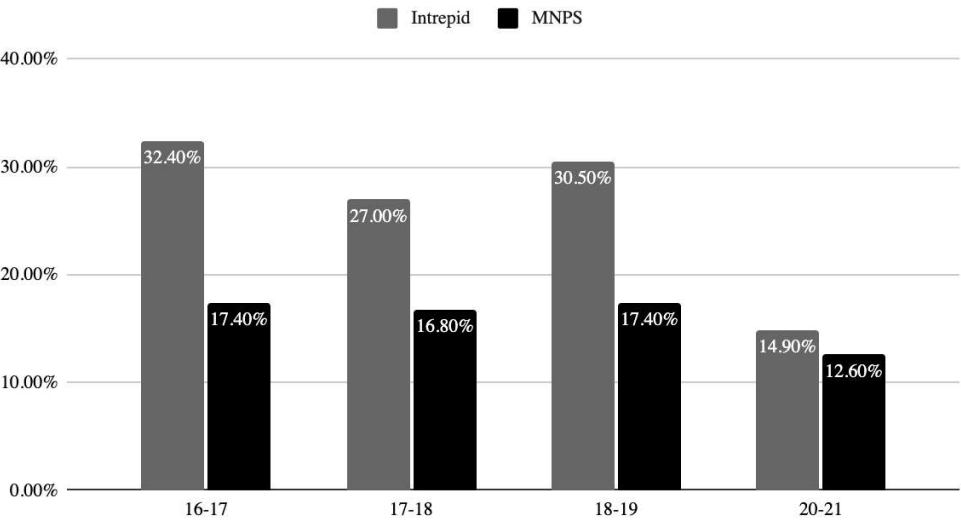
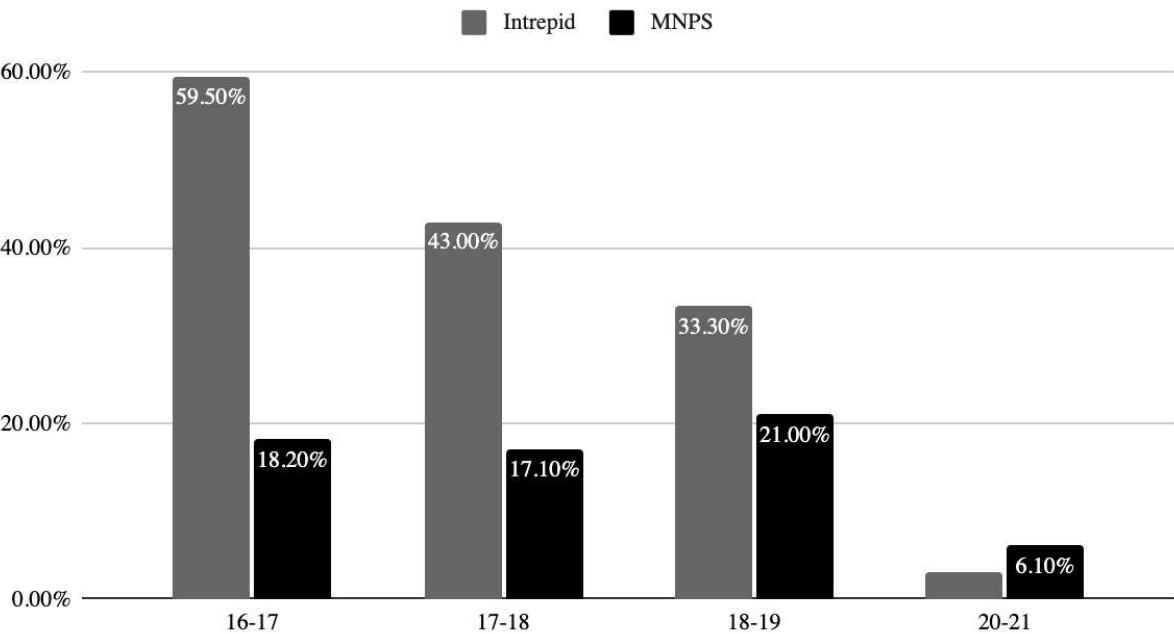
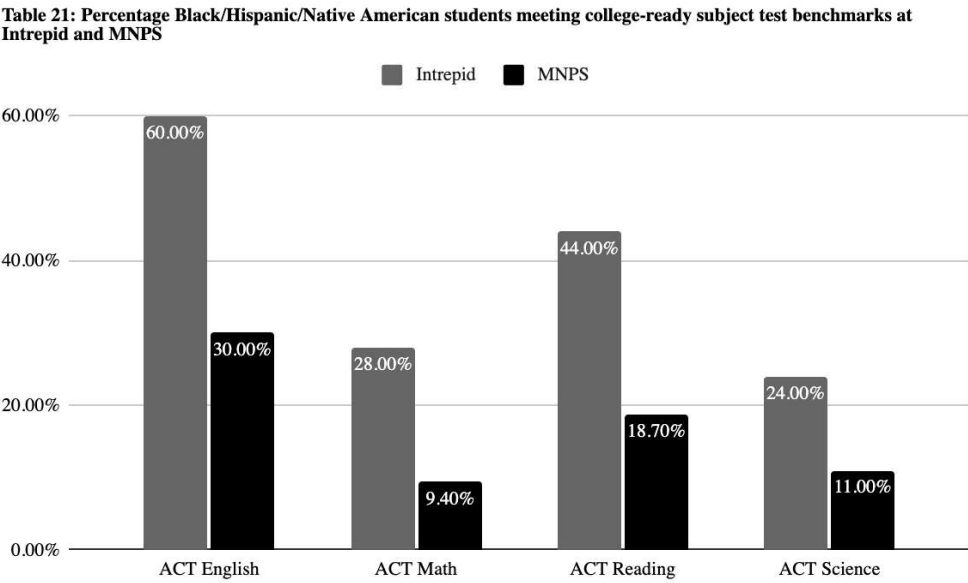


Table 20: Percentage of Intrepid and MNPS Black/Hispanic/Native American students scoring at Level 3 or Level 4 on the Math TCAP assessments by year



Additionally, the percentage of Intrepid’s students of color meeting college-ready ACT subject test benchmarks was far higher than the percentage of MNPS students of color meeting college-ready subject test benchmarks on the ACT.



Diverse Learners

At the core of Intrepid’s mission is the belief that all students deserve a high-quality, college preparatory education; therefore, Intrepid has intentionally created an academic program which meets students where they are instructionally and accelerates them to achieve mastery at and above grade level. Intrepid College Prep provides a variety of supports for its diverse learners, including sheltered intervention opportunities, co-taught courses, additional family communication, and opportunities for special recognition.

English Language Learners Program

As stated in the “Progress Towards Academic Goals and Academic Achievement” section of this document, we serve English Language Learners based in the U.S. Department of Education’s six steps of progression through an ELL program: (1) enrollment in school; (2) identification of potential ELLs; (3) assessment determining need for ELL services; (4) provision of appropriate ELL services; (5) transition from ELL services; and (6) monitoring ability to participate meaningfully. In implementing its ELL program, Intrepid has complied with all applicable laws including Title VI of the federal Civil Rights Act of 1964 (as amended) and the federal Equal Educational Opportunities Act of 1974.

Exceptional Education Program

Intrepid offers exceptional education instruction and designated services, in accordance with an individualized education program (IEP) or 504 Plan, in the same manner as other public schools within MNPS. Intrepid College Prep provides students with disabilities with a Free and Appropriate Public Education (FAPE) within the Least Restrictive Environment (LRE) possible. Intrepid complies with all regulatory special education requirements of the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and any other civil rights enforced by the U.S. Department of Education Office of Civil Rights (OCR). Likewise, we comply with additional regulations and policies of the state of Tennessee and Metro Nashville Public Schools.

Academic Growth and Achievement Results for Diverse Learners

Intrepid has increased academic outcomes for all students, and our diverse learners have also demonstrated compelling evidence of academic growth and achievement.

As seen in Tables 8 and 9 in the “Progress Towards Academic Goals and Academic Achievement” section of this document, Intrepid’s English Language Learners have consistently outperformed the district’s EL Learners on the English Language Arts and Math TCAP exams, averaging 12.9% more EL Learners “On-Track” or “Mastered” in these core content areas than other Metro Nashville Public Schools before the Covid-19 pandemic. Historically, Intrepid’s Exceptional Education students have performed on par with MNPS’s EE students on TCAP assessments. However, Intrepid is currently taking intentional steps to ensure that both EE and ELL students experience a greater rate of academic growth. These steps are outlined below:

- *Increased Emphasis on Co-Teaching*
 - Co-teaching is an instructional practice that provides diverse learners with access to grade-level curriculum. In a co-taught class, each student has access to a qualified content area teacher, as well as a teacher who is certified in English Language Learning or Exceptional Education and highly knowledgeable on differentiation strategies.
 - During co-taught courses at Intrepid, two educators jointly deliver instruction to a blended group of students in the same classroom space. Intrepid’s co-teaching partnerships have measures to ensure that co-teachers communicate when internalizing curriculum and making instructional decisions, as well as share equal responsibility for all students’ academic progress.
- *Intentional Intervention*
 - At Opportunity Academy Middle School, a daily sixty-minute intervention period is provided to all students. During this time, ELL and EE students, grouped by language level or IEP goal, work in small groups with a certified instructor in a variety of activities, including but not limited to phonetic awareness, English conversation practice, math fact retrieval, use of visual aids, and schema instruction. Progress monitoring is completed bi-weekly.
 - Independence Academy offers English Language Development Courses to ELL students with a qualifying score on the WIDA ACCESS assessment. These courses aim to close gaps in English language proficiency and ensure academic success in other grade level courses. Additionally, Independence Academy offers math and English intervention courses to qualifying diverse learners with IEPs. ELD and intervention courses offer small group instruction focused on activating prior knowledge, pre-teaching difficult concepts and vocabulary, and providing explicit instruction in English language and mathematics to ensure mastery of scheduled tasks in a student’s grade level English and math courses.

The impact of our intentional supports for EE and ELL students can already be evidenced in the 21-22 MAP Reading and MAP Math growth results. Students took the MAP Reading test and the MAP Math test in September 2021 and again in December 2021. The majority of diverse learners revealed substantial growth during these three months. Therefore, we anticipate strong academic growth and achievement from diverse learners on the 21/22 TCAP in all core contents.

Table 22: Percentage of Active ELL students with RTI growth between Fall and Winter MAP Test

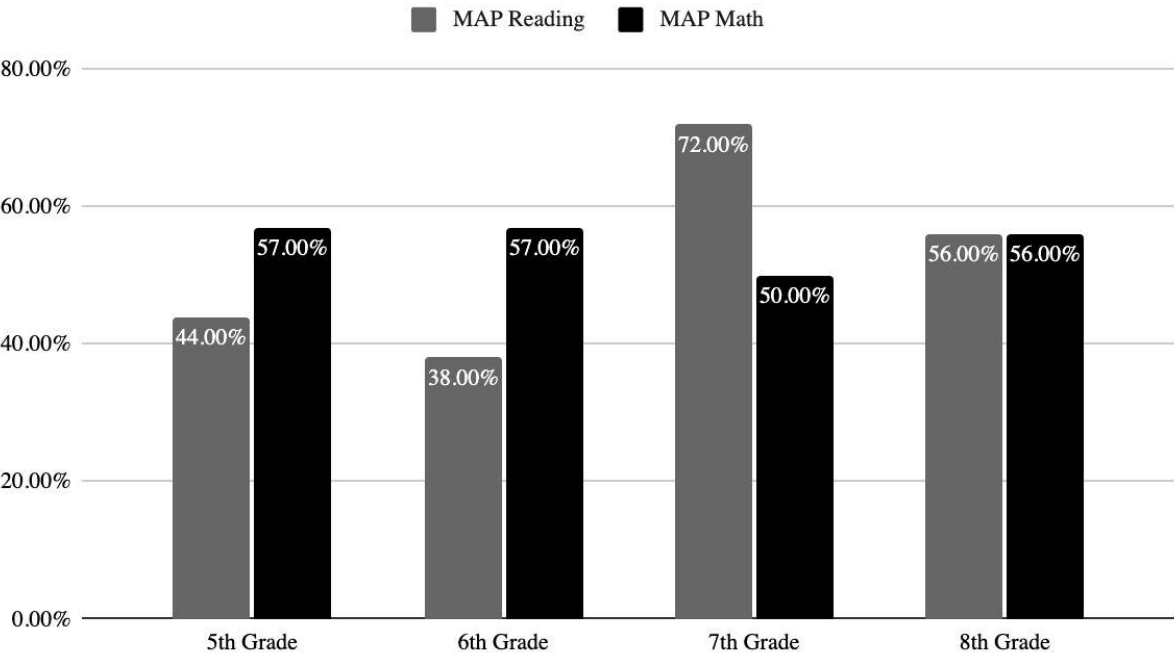
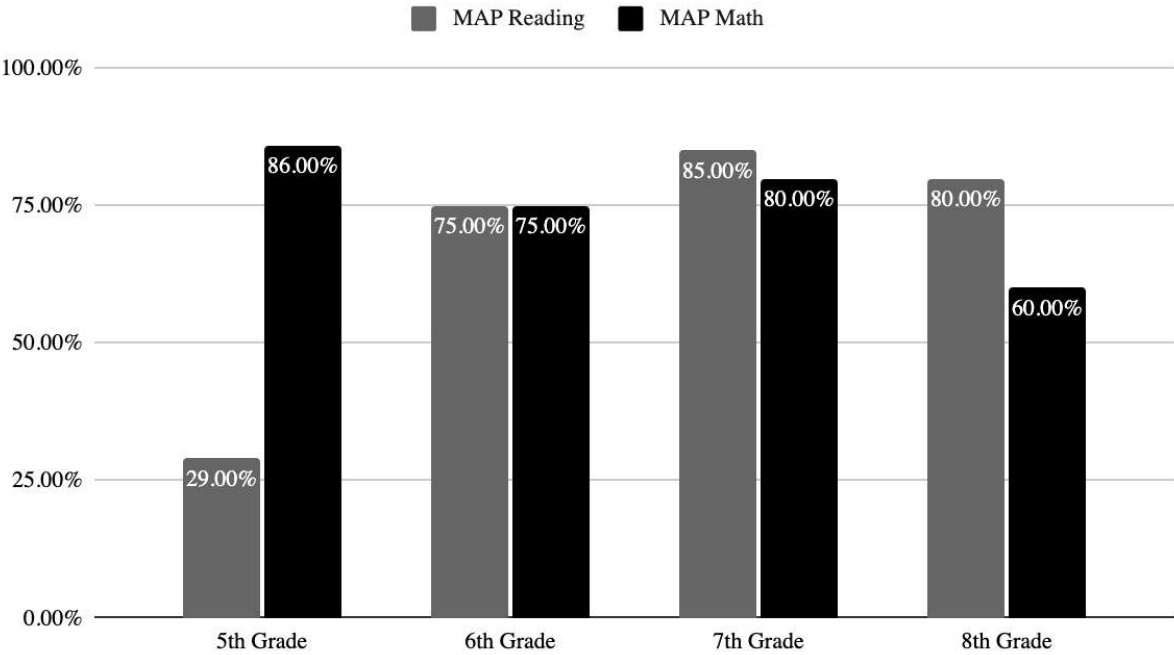


Table 23: Percentage of EE students with RTI growth between Fall and Winter MAP Test



Volunteer State Seal of Biliteracy Award

During SY 20-21, for the first time, Intrepid offered students the opportunity to earn the Volunteer State Seal of Biliteracy Award and the Pathway to the Seal of Biliteracy Award.

The Volunteer State Seal of Biliteracy recognizes students who have studied and attained proficiency in two or more languages by high school graduation. The Seal of Biliteracy takes the form of a gold seal that appears on the diploma of graduating seniors and is a statement of accomplishment for college admissions and future employers. In addition to the Seal of Biliteracy that marks attainment of high level mastery of two or more languages, we also offer the Pathway to the Seal of Biliteracy award for 8th graders to recognize significant steps towards developing biliteracy.

The Seal of Biliteracy encourages students to pursue biliteracy and honors the skills Intrepid's students attain. Additionally, the Seal of Biliteracy Awards promotes bilingual pride and celebrates the linguistic diversity of our community. While any student can qualify for the award, Intrepid especially encourages Active and Exited EL students to take advantage of this opportunity for special recognition.

In the first year of offering the award, Intrepid presented the honor to ten seniors at graduation and five 8th-graders at their promotion ceremony. This year, nine Intrepid seniors qualified to test for the award in Arabic, Somali, and Spanish, and thirty 8th-graders qualified to test in Amharic, Arabic, French, Somali, Spanish, and Yoruba. Twenty-one of these qualifying students were formerly active English Language Learners, before exiting the program. Five of these qualifying students are currently Active English Language Learners. Intrepid had additionally qualified students; however, no test is currently available in their less commonly-spoken home languages, such as Burmese, Sierra Leone Kriol, and Igbo.

Data-Driven Instruction

Intrepid uses data to evaluate the effectiveness of its academic program, inform instructional practice, evaluate teacher effectiveness, and implement professional development.

As stated in our charter application, "Data-driven instruction is the cornerstone of our academic program." Intrepid's leaders and instructors use data daily to make instructional decisions, improve teacher practice, and facilitate professional development.

Curricular Vision

Intrepid operates under the belief that all students can achieve at high levels when they receive excellent instruction. Each day, every student receives intellectually challenging curriculum, high-quality data-driven instruction, numerous opportunities to explain what they have learned, and daily individualized supports.

Intrepid's curriculum is aligned with the Tennessee Academic Standards. At both the middle and high school level, students receive daily instruction in English Language Arts, math, science, and social studies. These courses are supplemented with additional instruction in a variety of inquiry based areas, including Spanish, physical education, health and wellness, music, art, college preparation, and yoga.

During the SY 17-18, Intrepid began to utilize high-quality, grade level aligned, externally created curriculum in ELA, math, science, and social studies. Intrepid leaders chose to adopt external curricular resources, instead of internally creating curriculum, for several reasons. First, research has revealed that

the value of using a high quality, external curriculum is real. In a 2020 paper by UnBoundEd, researchers explain, “Curricula aligned with high standards have the potential to maximize learning by holding all students to rigorous expectations. ...[T]he high standards they exemplify are key levers to promote equity.”⁵ Many of Intrepid’s teachers come from a nontraditional teaching background; by utilizing resources created by curriculum experts, Intrepid students are guaranteed to be interacting with standards-aligned, appropriately-challenging work during every lesson.

Additionally, Intrepid’s choice aligns with the findings of The New Teacher Project’s 2018 report, “The Opportunity Myth,” which noted that consistent opportunities to work on grade-appropriate assignments were particularly impactful on students who are substantially behind grade level. “The Opportunity Myth” revealed that the difference in achievement growth between students who consistently received grade-level assignments and those students who did not was an additional 1.7 months of academic growth for the average student. The majority of our students join Intrepid’s learning community with academic gaps and/or as active English Language Learners. The decision to use an external curriculum in ELA, math, science, and social studies was intentionally made to support the academic growth of our particular student population.

After vetting options for curriculum, Intrepid leaders chose to adopt Achievement First’s Common Core aligned resources because of their high quality design process and vertical and horizontal alignment. The curriculum was designed and created by a team of content and curricular design experts who were informed by the Liberatory Design framework and Zaretta Hammod’s pivotal text, *Culturally Responsive Teaching and the Brain*. The curriculum utilizes highly engaging and culturally responsive texts, problem sets, and learning activities. Content is aligned vertically across grade-levels with units of study intentionally building on knowledge and skills from 5th-12th grades and horizontally with students interacting with thematically linked areas of study across grade levels, allowing for cross-curricular connections. Additionally, Intrepid has partnered with Achievement First in its Navigator Program to receive additional coaching and support with implementation of its curriculum.

In making the decision to move from teacher-created curriculum to externally-created resources, Intrepid has remained committed to its initial academic vision of providing rigorous academic instruction to students and has responded to the most current research in how to do so.

Assessments

Intrepid College Prep utilizes an evergreen assessment calendar to ensure that leaders and teachers have timely formative and summative data on student growth and mastery. Intrepid’s assessments, their purpose, and their use are outlined below.

Table 24: Intrepid’s Assessments

Assessment	Assessment Purpose	Assessment Use
ACT	The ACT is a multiple-choice, paper and pencil entrance exam used by colleges and universities to make admissions decisions. The ACT measures a high school student's	Intrepid students are required to take the ACT twice - the spring of their junior year and the fall of their senior year. After the first ACT, our teachers and leaders evaluate each

⁵ UnboundEd. (2020, September 4). UnboundEd Planning Process – Read 1: Determine a prioritized learning goal. Retrieved from <https://www.unbounded.org/blog/unbounded-planning-process-read-1>

	readiness for college and provides colleges with one common data point that can be used to compare all applicants. Overall, the higher a student scores on the ACT, the more opportunities for attending and paying for college will be available to students.	student's areas of academic strength and opportunity and design ACT prep lessons to address content-based gaps.
Daily Exit Tickets	At the close of each daily lesson, students complete a daily exit ticket which assesses their understanding of the day's objective. These 5-8 minute assessments offer students a variety of ways to demonstrate their understanding, including but not limited to open-ended paragraph responses, multiple choice questions, and meta-cognitive reflections.	After each lesson, teachers use daily exit tickets to evaluate student mastery of the objective using Intrepid's Looking At Student Work protocol (see "Intrepid Data Informs Instructional Practice" section below) to identify areas of success and those that may need additional study or remediation.
ELA and Math Interims	ELA and Math Interims are extended assessments in ELA and math taken four times over the course of the academic year. Aligned to grade-level CCSS and externally created by Achievement First, these assessments measure students' progress toward end-of-year content mastery.	ELA + Math interims provide students and caregivers important information about both achievement and progress. Teachers, instructional coaches, and leadership teams use interim data to reflect on performance within a growth cycle and make strategic adjustments to instruction and teacher coaching.
MAP Math and Reading	The MAP assessment is a computer-adaptive assessment in math and reading that assesses students' growth and achievement in both Math and Reading and tracks their progress in these contents over time. MAP assessments identify what a student knows and is ready to learn next.	MAP assessments provide students with an RIT score in each tested area. This score represents a student's achievement level at any given moment and helps measure their academic growth over time. The RIT scale is a stable scale that accurately measures student performance, regardless of age, grades, or grade level. At Intrepid RIT scores are evaluated against college ready benchmarks and are used to determine groupings during the Intervention Block, revealing specific skills in each content that are or are not mastered.
Practice ACT	Two months prior to taking the PSAT, Juniors complete a practice ACT assessment.	This assessment is graded in-house by Intrepid's Academic Department, and scores are shared quickly with both students and teachers. This allows all stakeholders to take immediate action on instructional areas of growth and allows the college department to talk with students about realistic options for college applications.
PreACT and PreACT 8/9	The PreACT (designed for high school sophomores) and the PreACT 8/9 (designed for 8th and 9th graders) are multiple choice exams that familiarize students with the ACT.	Anchored in the ACT college and career readiness standards, the PreACT and PreACT 8/9 assessments help teachers, students, and caregivers, identify areas of academic strength

	These scaffolded, age-appropriate exams are designed to help students prepare for the official ACT by simulating the testing experience and familiarizing students with question stems and test structure.	and opportunity by providing each student with subject and composite scores to compare to college-ready benchmarks.
PSAT	The PSAT/NMSQT is the Preliminary SAT/National Merit studentship Qualifying Test. PSAT scores are used to identify National Merit students and award merit studentships. Some of the highest scoring students may receive studentship money for colleges and universities.	The PSAT is taken in the fall of students' junior year. It is strong practice for the ACT and an important guidepost on the college admissions journey.
TCAP Exams	TNReady is a part of the mandatory Tennessee Comprehensive Assessment Program (TCAP) and is designed to assess mastery of grade-level content. Each subject-area test is divided into multiple subparts and is administered during one testing window at the end of the school course. Students receive a score between Level 1 + Level 4, corresponding to designations of Grade Level Standards Mastery.	Intrepid's leaders analyze the previous years' TCAP exams to identify both departmental and individual teacher's successes and areas of growth. After this analysis, professional development and teacher coaching is created to celebrate the achievements of Intrepid's community and improve its academic programs.
Unit Quizzes and Assessments	Intrepid's year-long scope and sequence in each content divides its curriculum into five to ten thematically linked units throughout the year. Students complete 1-2 formative quizzes in each unit before a summative assessment, essay, or project, which measures students' progress toward mastery of content standards.	After each unit quiz and assessment, teachers evaluate student mastery of aligned Tennessee Academic Standards using Intrepid's Major Assessment Data Analysis Protocol (see "Intrepid Data Informs Instructional Practice" section below) to identify areas of success and those that may need additional study or remediation.
WIDA ACCESS for ELLs	The ACCESS test is a summative English language proficiency assessment taken annually by English Language Learners. The computer-based test measures English language proficiency in four domains - Reading, Listening, Speaking, and Writing.	WIDA scores are used to determine students' ELL status during the following academic year. Scholars are "Exited" from the Active ELL Program and no longer receive ELL services when they earn a score of 4.4 or higher in overall proficiency and 4.2 or higher in literacy proficiency on the ACCESS assessment.

Assessment Data Informs Instructional Practice

One goal of Achievement First's Navigator program (referenced above) is to ensure that Intrepid's leaders use assessments to gain a holistic picture of student achievement and to drive strategy and decision making at all levels of the organization to respond to student data.

A central component of Achievement First's approach to data analysis is the understanding that when leaders and teachers look at the data, they do not just get information about students, but also about the work of leaders and teachers. **Intrepid believes that all students are capable of grade level work, so data analysis requires staff to see the data as a reflection of themselves.** When our teachers and

leaders action plan, they start by taking ownership for both strong and weak student results by reflecting on coaching and classroom decisions. They take a clear, specific approach to effectively using data to make instructional decisions, which has become the ethos of data analysis at Intrepid and is embedded in our data analysis protocols.

- **Data analysis starts with what students can do.** When teachers and leaders look at data, they must start with an understanding of where students have been successful. We look carefully at the texts, problems, and questions where students did well and consider how to continue to leverage these strengths.
- **Teachers care about looking at student work habits.** When teachers and leaders analyze student performance on an assessment, they look at student work habits. This can include their central idea endnotes, question annotations, text annotations, methods of problem solving, or how students eliminate answer choices. Teachers start with these habits because they provide insight into how students are approaching and thinking about texts and/or solving complex problems. Teachers focus on work habits rather than only looking at which answers students got right and wrong, which ensures teachers and leaders look at their own instruction and/or coaching and adjust their practices based on student data.
- **Intrepid narrows the focus of data analysis based on the time of year.** While Intrepid educators believe that getting 100% of students to master grade level content is the north star, they also know that simply saying that's the goal is not enough. We believe in setting smaller, incremental goals that will gradually build to more ambitious goals. Coaches and teachers typically align these goals to the time of the year. For example, in Quarter I middle school ELA courses, teachers often set a goal for students to use paragraph structure in their writing. ELA teachers don't think that ultimately it is enough for students to simply use structure correctly; however, it is a foundational starting point. If teachers can get students to use a paragraph structure, they can then move onto the more complex work of helping students to develop more nuanced and precise ideas.
- **Intrepid focuses on moving students across cut scores.** When our teachers and coaches study data and develop goals, they focus on moving students across performance bands. Intrepid's goal is that all students make academic progress. There may be times when teachers focus in particular on moving one subgroup, but that does not suggest that they neglect some students at the expense of others. Teachers and coaches start by planning for how to best meet the needs of the majority of our students through strong Tier I instruction, and then think about how to leverage all parts of the school day to best meet the needs of diverse learners.

Assessment Data Analysis Protocols

After each formative and summative assessment, Intrepid's teachers and instructional leaders analyze student work to identify areas of strength and incomplete learning. The Looking-at-Student-Work process encourages teachers to move from a deficit mindset about what students can't yet do and begin to look for what students are doing well.

Our teachers begin data analysis by interrogating their own practices to be mindful of the ways in which rigor may have been lowered. Each week during check-ins, teachers, alongside their coaches, watch footage of their own teaching to identify areas for improvement as an instructional facilitator. During these meetings, coaches articulate an action step designed to increase the effectiveness of the teacher's

instructional practices. Not only does this process result in stronger instruction for students, but it trains teachers to analyze evidence, identify gaps, and take action to make improvements when looking at student work.

Daily Looking-at-Student-Work Protocol

After daily instruction, teachers independently analyze students' exit ticket data to identify progress towards mastery. This protocol is brief (less than fifteen minutes) and completed in tandem with teachers' intellectual preparation process, to ensure that teacher instruction is responsive to data. The daily Looking-at-Student-Work protocol is outlined in the table below:

Table 25: Daily Looking-At-Student-Work Protocol⁶

See It: Exemplar Analysis	<ul style="list-style-type: none"> • Review the teacher exit ticket exemplar and note the criteria for success. • Analyze student work against the exit ticket exemplar. • Sort student work into “got it;” “close;” and “did not get it.” • Identify the trending gap between the exemplar and the student work.
Name It: Identify the Conceptual Misunderstanding	<ul style="list-style-type: none"> • Articulate the highest leverage gap between the exemplar and student performance. • Articulate the conceptual misunderstanding behind the gap. • Identify the action(s) students must take to close the gap.
Do It: Differentiate	<ul style="list-style-type: none"> • Adjust the upcoming lesson plan(s) to either: <ul style="list-style-type: none"> ○ reteach through remediation or ○ share batch feedback and targeted practice opportunities.

Major Assessment Data Analysis Protocol

After major assessments, such as unit tests, interims, and ACT suite tests, teachers analyze student work alongside their instructional coach. This process is centered around two areas - student work habits and standards mastery - and intended to diagnose both students' conceptual misunderstandings and gaps in adult practice which may have led to those misunderstandings. The protocol ends with teachers creating two “Win Plans” to close learning gaps. The major assessment data analysis protocol and samples of these “Win Plans” can be found below.

Table 26: Major Assessment Data Analysis Protocol

Pre-Work	<ul style="list-style-type: none"> • The teacher completes the assessment themselves, creating exemplar student work for all questions or problems, such as annotations, essay responses, and/or multiple pathways to a solution. • The teacher grades all student work, identifying their topline celebrations as well as their areas of concern.
Student Work Analysis	<ul style="list-style-type: none"> • The teacher selects nine to ten student work samples, including three high scoring, three to four mid-range scoring, and three low-scoring. • The teacher reviews student work, identifying the percentage of students who have met the bar for mastery.

⁶ Bambrick-Santoyo, P. (2012). *Leverage leadership: A practical guide to building exceptional schools*. San Francisco, CA: Jossey-Bass.

	<ul style="list-style-type: none"> ○ In the humanities, this may include creating inferential text annotations, jotting a central idea endnote, and/or using a logical writing structure. ○ In STEM, this may include annotating the question, visibly solving the problem, and/or using a logical algorithm. ● The coach and teacher analyze the student work together, creating a hypothesis for classroom facilitation gaps that may have contributed to the quality of student work.
Standards Analysis	<ul style="list-style-type: none"> ● The teacher and coach identify the one or two lowest-scoring standards. ● The teacher and coach create a hypothesis for knowledge, skill, or classroom facilitation gaps that may have contributed to the standards gap.
Win Planning	<ul style="list-style-type: none"> ● The coach and teacher use the student work hypothesis and standards analysis hypothesis to create a “Win Plan” to effectively close gaps in students’ standards mastery. ● A strong Win Plan is two pronged and includes a “Student Work Habits Goal and Roadmap” and a “Standards Remediation Goal and Roadmap.”

Table 27: Sample Student Work Habits Win Plan

Goal: On the December ELA interim, 80% of students will create proficient central idea endnotes that synthesize the most important events in the text.
Roadmap: <ul style="list-style-type: none"> ● The teacher will facilitate a “mini-lesson” on the purpose of Central Idea Endnotes. ● The teacher will hold students accountable for creating a Central Idea Endnote on their nightly ELA homework by tracking completion percentages daily. ● The teacher will share batch feedback on the quality of Central Idea Endnotes each week. ● The teacher will celebrate student progress towards the 80% interim goal by identifying the percentage of Central Idea Endnote completion on each quiz and unit assessment.

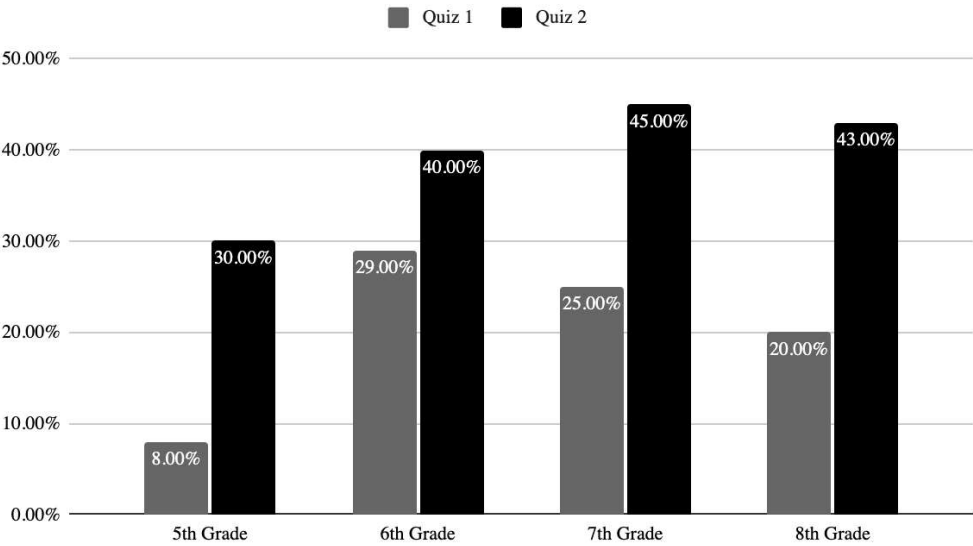
Table 28: Sample Standards Remediation Goal + Roadmap

Goal: 65% of students will correctly answer all RI6.2 aligned questions on the next ELA interim.
Roadmap: <ul style="list-style-type: none"> ● The teacher will facilitate a “mini-lesson” on the difference between a summary and a theme. ● The teacher will identify and facilitate one to two weekly opportunities for “comparative analysis” or “collaborative editing” of the conceptual misunderstanding of the difference between summary and theme. ● After the next unit quizzes and assessments, the teacher will share batch feedback on students’ RI6.2 aligned progress. ● The teacher will celebrate student progress on their mastery of the RI6.2 standard after upcoming unit quizzes and assessments.

Intrepid teachers have seen strong results when utilizing the Major Assessment Data Protocol. The results of a recent case study can be seen in the table below. During the 21-22 school year, all students completed an ELA quiz in October. Afterwards, ELA teachers participated in the Major Assessment Data Analysis Protocol, focusing on increasing students’ proficiency in completing an open-ended paragraph response task. Each teacher, alongside their coach, created a “Win Plan” focused on writing habits and determined

by the specific trends in writing gaps in their classes. Over the next six weeks, teachers executed their “Win Plan” with students. When students took their next quiz in December, all grade-levels saw large increases in students' ability to complete a similar open-ended response task.

Table 29: Percentage of students scoring Level 2, Level 3, or Level 4 on open-ended response questions on ELA Quizzes



Intrepid is confident that with consistent use of both the Daily Looking-At-Student-Work protocol and the Major Assessment Data Protocol, Intrepid’s students will continue to increase their grade level content mastery in all subject areas.

Professional Development

Leader and teacher professional development is robust and responsive to student and staff needs, and it directly impacts student achievement.

Intrepid College Prep culture celebrates learning for both students and staff. Intrepid staff hold themselves to high standards of professional excellence, rooted in evidence of student growth and achievement. Leaders recognize that it is their job as coaches to grow and support teachers in driving student achievement and creating a joyful learning environment, and they have created an intentional cadence of professional development to serve this purpose.

During the SY 20-21, Intrepid participated in a challenging formal accreditation process. In its report, the accreditation team (composed of professionals across the nation, under the umbrella of Cognia) noted, “School leaders at the school **have implemented a well-developed and rigorous program of professional learning** for the purpose of improving student learning and organizational effectiveness. Documentation graphically indicated a **very professional, strong, well developed, and articulated professional development (PD) program** focused on culture and instructional vision.”

Goal Setting + Growth Cycles

Intrepid’s Growth Cycles are organization-wide school year goals developed to drive our progress as a high performing educational institution. They are created using the Objectives and Key Results (OKR)⁷

⁷ Grove, Andrew (1983). High Output Management. Random House. ISBN 0394532341.

management framework, which is intended to ensure focus on results that matter, increase transparency, and create strategic alignment. This is achieved by rallying staff around achieving a common, inspirational objective.

Each spring, Intrepid senior leaders identify the organizational objectives in academics, student culture, human capital, and school operations for the following school year. These objectives are created using a variety of data, including but not limited to **assessment data; teacher, student, and caregiver surveys; feedback shared during staff round tables; and enrollment data**. These organizational objectives aim to identify what will be achieved in each department the following year. Department objectives are significant, concrete, action-oriented, and bold.

After departmental objectives are created, senior leaders begin to backwards plan Growth Cycles, which identify the key results necessary to reach each objective over the course of one school year. The key results identified within Growth Cycles are specific, measurable, and time-bound, generally aligned to each academic quarter. Objectives and key results are shared with all staff and used to design quarterly and weekly professional development, identify practice foci during morning huddles, assist coaches in creating action steps with teachers, and give leaders a common lens for classroom observations and feedback.

A sample organizational objective and aligned key results within a year long Growth Cycle can be found below.

Academic Objective + Key Results			
Objective: 90% of Intrepid teachers have a shared understanding of academic excellence, strong teacher preparation, and excellent lesson facilitation.			
Quarter I	Quarter II	Quarter III	Quarter IV
90% of teachers write a high quality exit ticket exemplar and have it on clipboard during Morning Huddle.	During classroom observations, 90% of teachers have a Monitoring Document on their clipboard and reference it during Independent Practice.	During classroom observations, 90% of teachers utilize data collected on their Monitoring Document to create and deliver Batch Feedback to students during Independent Practice.	During classroom observations, after being given “in-the-moment” feedback, 90% of students attempt to implement that feedback on their work.

Professional Development Structures

From the aforementioned accreditation report, “Intrepid has developed a strong program of staff induction, mentoring, and coaching, including supervision and evaluation processes for the purpose of improving student performance and organizational effectiveness. **Interviews with teachers indicated the strong affirmation and appreciation for the staff induction, mentoring, and coaching program that**

is in place. New teacher cohorts meet once a month, and all teachers have coaches they meet with weekly. Coaching is an embedded part of professional development at the school. Teachers shared that ‘coaches are one avenue for us to give input into the school program, giving teachers a voice.’ Coaches visit classrooms and are part of the supervision process. School leaders are coached as well, providing a 360-degree accountability and personal/professional growth structure. The teacher rubrics are extensive, well-written, and well documented regarding teacher progress against the expectations. Interviews indicated that everyone has an academic coach that is always available. Teacher rubric scores are used for coaching and not evaluating, and coaches frequently spend time in the classroom. As the school graduates the first senior class this year, the effectiveness of the supervision and evaluation process will begin to be seen in longitudinal data showing results and sustainability over time, which will be beneficial to the school.”

Summer Planning and Practice

Each summer Intrepid leaders and teachers participate in extended professional development. Throughout Summer Planning and Practice (SPP), Intrepid’s team builds the strong and joyful foundation of a successful school year. Intrepid has sustained the belief stated in its charter application that “in order to execute Intrepid College Prep’s mission to deliver a rigorous college preparatory program that is highly structured, a strong and consistent culture of excellence must be set for the staff and students the day they enter the building.” In Intrepid’s charter, 16 days were dedicated to Summer Planning and Practice; however, we now facilitate twenty days of summer professional development. Intrepid leaders gather for t10 days of preparation, and the teaching and support staff report for t10 days of professional development in the two weeks directly preceding the beginning of the school year.

During the first two weeks of SPP, school leadership teams engage in development inspired by our core values - **Seek Knowledge, Ignite Passion, and Inspire Bravery**. Leadership teams review organizational goals, identify professional priorities, and engage in challenging practice and role plays centered around crucial conversations and teacher coaching. During this time, Intrepid leaders also coordinate with operations teams to ensure that Intrepid’s physical buildings and operational systems are ready for Day 1.

During the teacher portion of SPP, Intrepid’s staff comes together for 10 days of intensive preparation for the school year. Summer preparation is to be centered in four areas - Community Building, Academic Readiness, School Culture, and Shared Systems.

- **Community Building:** We believe that at the core of a successful school is a strong learning community, and Intrepid’s staff builds this community throughout SPP. Both as an entire organization and within school and content teams, our leaders and teachers engage in intentionally selected team building activities to develop meaningful relationships across identities. Community building has included “nerd-outs,” or content-focused learning activities, such as the completion of science experiments or book clubs; formal games, such as “Grade-Level Olympics;” shared learning, such as a viewing and discussion of the film *By Design: The Shaping of Nashville Public Schools*; and informal opportunities for socialization.
- **Academic Readiness:** During academic sessions, teachers come together to grow as learners and lovers of their contents. Academic SPP Sessions begin on with a strong, content-specific Model Lesson, in which an excellent instructor engages all teachers in a learning experience meant to mirror that of an Intrepid student. In the following academic sessions, teachers engage in shared learning experiences that cover a variety of aspects of Intrepid’s shared Intellectual Preparation Protocol, work independently, and receive feedback on that work. This focus on feedback was

initially outlined in our charter application: “In accordance with our belief that teachers and high-quality instruction are the chief reason for school wide academic excellence, teachers begin the process of receiving and implementing quick and substantive feedback during practice demo lessons.” All teachers leave SPP with one unpacked unit and five to ten daily lesson plans fully internalized and practiced.

- **School Culture:** During SPP, Intrepid staff creates the foundation for a consistent school culture. During this differentiated development time, teachers prepare to build relationships with families and students and practice basic tools of classroom management.
 - **New to Intrepid:** Teachers who are new to Intrepid’s community focus their School Culture learning on high-quality practice opportunities with classroom management. They may plan and practice “check-in conversations” for students who are opting out of completing classwork, learn when to use effective instructional strategies such as “Turn and Talks,” and practice complex moments of classroom management, such as engaging students in a “Do Now” while taking class attendance.
 - **Returning to Intrepid:** Teachers experienced with Intrepid’s school culture deepen their effectiveness at building school culture through video analysis, data review, and case studies. During School Culture development sessions, experienced teachers watch films of themselves and their peers facilitating instruction and analyze their previous year’s academic and behavioral data, identifying moments of success, as well as missed opportunities for intervention and relationship building. Additionally, these teachers discuss a variety of case studies, role playing appropriate responses to student disruptions.
- **Shared Systems:** At Intrepid College Prep, all staff and students utilize shared systems for crucial parts of the school day, including but not limited to arrival, dismissal, hallway transitions, lunch, and recess. These shared systems ensure a safe and structured school environment and allow for a positive school culture with a focus on academics. As stated in our charter application, “During the summer PD, teachers will be trained on the importance and effective implementation of tight organizational structures and on school-wide systems and structures.” During SPP, all Intrepid staff identify and practice their role in these shared systems to ensure that these systems are strong when students arrive at the building.

Our teachers spend approximately two hours of independent time each day of SPP. During this time, teachers may choose to engage in additional practice of key systems, classroom management techniques, or continue academic preparation. Coaches also have the opportunity to facilitate Unit 0/1 Unpacking meetings or complete teacher check-in conversations. Co-teachers are encouraged to meet during this time, and teachers are given the opportunity to attend office hours with their campus Case Managers and/or ELL Deans to learn more about differentiation, accommodations, ILPs, and IEPs.

Throughout its history, Intrepid’s Summer Planning and Practice has been deeply impactful on our staff, with over 90% of teachers reporting that this intensive yet joyful time has allowed them to establish meaningful relationships with teammates, understand the vision of excellence for academics at Intrepid, and gain skills as classroom facilitators.

Weekly Professional Development

Although the Intrepid school day typically ends at 3:30 pm, each Friday Intrepid students are released at 1:30 pm in order to give our staff time for consistent professional development. The cadence of Intrepid's Weekly Professional Development has fluctuated throughout Intrepid's history. However, after receiving teacher feedback around programming structures, the current professional development cadence was established during SY 21-22.

Table 30: Typical Weekly Professional Development Cadence

Week	Focus
Week 1	Staff Early Release
Week 2	Content Team Time
Week 3	Teacher Independent Work Time and Leadership Development Meeting
Week 4	School Team and/or Grade Level Team Time

This consistency has allowed staff to engage in regular development in several areas, including responding to academic data, practicing shared systems, and strengthening school culture. Additionally, Intrepid's cadence provides teachers with intentional independent work time to complete essential teacher responsibilities.

- Staff Early Release:** On the first Friday of each month, staff are encouraged to leave campus immediately after dismissal. Intrepid leaders encourage staff to utilize this time to attend personal appointments (such as doctor visits or DMV appointments). Intrepid's Staff Early Release was created in response to staff concerns about the typical inflexibility of a teaching schedule. It has been hugely beneficial for our organization as it allows teachers to make appointments consistently at this time, leading to a reduction in personal time requests and more consistent instructional time for students.
- Content Team Time:** During Content Team Professional Development, teachers meet in cross-campus groups organized by content - English Language Arts, math, science, social studies, and inquiry (which includes art, yoga, music, physical education, Spanish, and college prep). Content Team Time is facilitated by content leads, either an AP or Dean, and is used to develop teachers' lesson facilitation skills in response to the most recent formative or summative assessment data. Development objectives are tied to meet "Win Plan" goals.
 - Format:** These development sessions may take several forms, including but not limited to grade norming on a rubric, looking at student work habits, unit unpacking meetings, and classroom video analysis.
 - Diverse Learners:** EL Deans and EE Caseworkers also use this time to run development sessions on differentiation strategies, IEP meeting best practices, and accommodating student materials.
 - Impact:** Content Team Time has increased teacher skill in lesson facilitation, developed competencies in serving diverse learners, increased understanding of the vertical

alignment of Common Core and Tennessee State Standards, and ensured fair and accurate grading of student work.

- **Leader Development:** All leaders at Intrepid, including senior directors and principals, attend monthly Leader Development sessions which focus on increasing leader skill in core competencies such as one-on-one (O3) meeting facilitation, personal organization, giving and receiving meaningful feedback, and project planning.
 - **Format:** Leader Development centers on rounds of practice and feedback and requires Intrepid leaders to engage in role plays and case studies. The objective of each Leader Development meeting is created in response to recent student, teacher, and/or leader data and may involve recent “ripped from headline” coaching conversations.
 - **Impact:** Leader Development sessions have immediate impact on leaders’ skills and, therefore, teacher practice. As coaches improve their ability to have challenging conversations with teachers, teachers are asked to facilitate lessons in more rigorous ways, interact with students in more meaningful ways, and increase their caregiver communication.
 - **Teaching Staff:** During Leader Development, teachers have the opportunity to complete independent work, such as updating their gradebooks, internalizing upcoming lesson plans, and communicating with students’ caregivers.
- **School and/or Grade Level Team Time:** Once a month, our staff meets on individual school campuses to engage in school-specific development. This time, planned and facilitated by principals in response to systems and/or culture data, focuses on developing strong campus-based teams. Additionally, this time may be used to prepare for school-wide assessments (MAP, TCAP) or complete mandatory staff training on topics such as suicide prevention and inclement weather safety.
 - **Format:** The format of School and/or Grade Team Time is flexible, as it is responsive to the most recent data. In the past, these sessions have included systems practice, grade level meetings, incentive roll-outs, and conversations around consistent use of school culture systems.
 - **Impact:** School and/or Grade Team Time has allowed Intrepids’ staff to be consistent in their execution of school wide systems, increased joy around student incentives, and allowed staff to form strongly aligned grade level teams.

Individualized Coaching

In order to ensure our teachers and staff feel challenged, we also have a strong performance coaching framework that consists of weekly observations and one-on-ones (O3s).

Weekly Observations: Observations are sacred. We know that it’s not just what you teach that matters, but *how* you teach it. We also know that one of the most effective ways for coaches to move the needle for teachers, and ultimately students, is by spending time in their classrooms engaging in meaningful observations and rounds of real-time coaching.

Frequency	● Coaches visit classrooms at least once a week for a minimum of 20 minutes.
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Tools	<ul style="list-style-type: none"> • Observations are often recorded, so coaches and teachers can analyze the video in weekly one on one meetings. • Leaders ground their celebrations and best practice feedback using the Intrepid Teacher Rubric.
Methods	<ul style="list-style-type: none"> • Observers are an active presence. They will use their lens and expertise to determine the best methods in the moment, which may include actively monitoring, real-time coaching, and modeling.

One-on-Ones (O3s): Weekly O3s provide teachers and coaches with a consistent space to analyze what is happening in classrooms. These meetings, whose purpose is grounded in data, allow teachers and coaches an opportunity to engage in intellectual preparation and student work analysis as they work towards joyful rigor in classrooms.

Frequency	<ul style="list-style-type: none"> • Teachers meet with their instructional coach once a week for 45 minutes.
Meeting Protocol	<ul style="list-style-type: none"> • Every teacher and coach prepares for each meeting using a shared agenda. • The content of the meeting is grounded in intellectual preparation, student work analysis, long-term planning, and observation feedback. • Live, hands-on practice plays a large role in every meeting.

Section II- Operational Stability

Progress Towards Operational Goals

The school has met or made significant progress toward achieving the operational goals outlined in the charter agreement. The school consistently met or exceeded expectations on the local board's annual performance evaluation. The school did not receive any notices of concern or other interventions from the LEA or, if received, corrected the finding quickly.

Intrepid College Prep's operational health is robust. As noted by the Office of Charter Schools' Cumulative Renewal Evaluation Report, "The school's operational condition **merits a rating of good standing with the district.**" From the school's inception in 2013, all reporting requirements have been met with fidelity, all local and federal laws have been upheld, and the health and safety of students has been our focus. According to our charter agreement goals, we have conducted lawful lottery and enrollment processes, met all academic compliance requirements (including accreditation and participation in state testing), maintained all attendance and record keeping processes, complied with all the tenets of due process and student reporting, and kept our students and faculty safe. We have not received any operational notices of concern.

Community Investment

The school has consistently operated at or near capacity and effectively addressed student attrition. The school provided clear and compelling evidence of parent and student satisfaction and community support.

Enrollment

Our schools have continued to increase in popularity over the last nine years. School enrollment has generally met or exceeded projections, and demand continues to sustain.

Year	13-14	14-15	15-16	16-17	17-18
Grades Served	5	5-6	5-7	5-8	5-9
Budgeted	120	184	285	380	400
Actuals	81	180	291	373	493

Year	18-19	19-20	20-21	21-22
Grades Served	5-10	5-11	5-12	5-12
Budgeted	600	700	840	845
Actuals	562	714	850 ⁸	est. 850

Demand + Community Satisfaction

Since our founding in 2013, Intrepid has experienced sustained growth in enrollment due to demand for high quality seats. As we have grown, a few important trends to highlight have emerged:

- *Caregiver Satisfaction Is High*
 - Our year-to-year retention rate of students has always been high in comparison to district trends, and it has continued to strengthen over time. Historically, **over 85% of Intrepid students return from the previous year**, and **over the past three years, our overall network average has increased by 6%.**
 - For families that choose to leave Intrepid, the majority of them have a life event that necessitates a move out of the county or country (rendering their student ineligible to attend Intrepid). Over the past three years, this number has risen from **55% of exits to 77% of exits**. As much as possible, Intrepid staff work to maintain a student's ability to stay enrolled. Whether this means creating a creative transportation plan, meeting with caregivers to mitigate concerns, or navigating resources that allow a family to stay within the county, our staff takes a hands-on approach.
 - Approximately 40% of our new applications each year arrive as a **result of direct referrals from current families.**
- *Seats at Intrepid are Competitive*
 - Intrepid accepts applications for grades 5-10, but our preferred "entrance points" for maximum student experience are 5th and 9th grade. Over the past three years, the number of **applications received for these key grades has increased by 40%** and exceeds applications received for other grades by approximately 200%.
 - Though Intrepid endeavors to not maintain a sizable waitlist, seeing that as a sign of denying children opportunity, we have seen our waitlist remain steady over the course of the past three years. **At the start of a school year, our waitlist generally represents**

⁸ According to Intrepid's charter agreement with Metropolitan Nashville Public Schools, the charter enrollment cap is 864 (plus an additional 25).

about 15% of total seats in the school. Primarily, our waitlist is composed of 6th, 8th, 9th, and 10th grade students.

- *Families of Vulnerable Students Choose Intrepid*
 - Intrepid is proud of our service to families whose primary language is not English. Over the past four years, our EL enrollment has increased 4x, going from about 9% of the student population to about 36%.
 - Since 2013, we have maintained an average population of exceptional education students that meets or exceeds the district, ranging from 7% to 11%.

Strong partnerships with our students and families are integral to the work we do each day. We believe that caregiver voices matter and that we are able to best support the development of our students when we work alongside their families. To ensure we are able to meet the diverse needs of each of our families, we offer **various points of communication and relationship building**, including Town Halls, celebration nights, surveys, and quarterly report card conferences. These meetings provide a space for leaders to both share information with our families and hear directly from our families regarding the issues that matter the most. **On average, an Intrepid family participates in more than three school events per year.**

In addition, **Intrepid also shares a newsletter with caregivers** to ensure that families who may not be able to keep in touch with the school via other avenues still have a method by which they can feel connected to our community and updated on relevant events. Additionally, **each student's caregiver receives a bi-weekly phone call from their advisor.** Each Intrepid student participates in an advisory program and has one or two advisors who serve as a point person throughout the year. Advisors invest considerable time in building relationships with families to ensure a clear and consistent line of communication.

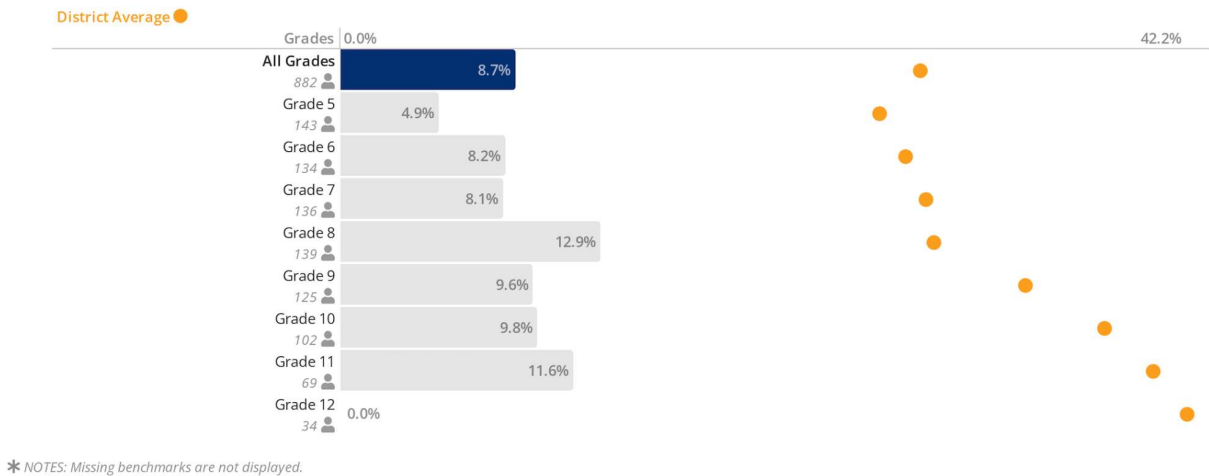
Intrepid also invests heavily in ensuring that each family has the opportunity to meet with a member of the team once a quarter to review their student's academic progress, ask questions, and create a meaningful plan to support their student as they continue their academic career. Teachers meet prior to conferences to align on areas of celebration, areas of growth, and suggested action steps. Our operations teams at both campuses work to support teachers in scheduling 100% of our students for report card conferences; historical attendance at this event has averaged **around 84% of enrolled families.** To support this, our student information system, SchoolRunner, offers a caregiver portal, which **provides our families with 24/7 access to all their student's data**, including attendance, gradebooks, and behavioral data.

Attendance

Intrepid's families take school attendance seriously; they know that their student needs to be present consistently to learn and grow. Even during a year of virtual schooling in 2020-2021, students regularly attended class at a far higher rate than their peers at comparative schools. According to data in InformTN, 11th graders saw the fifth highest rate of regular attendance in MNPS, with regular attendance 31% higher than Cane Ridge and 46% higher than Antioch. **Intrepid's 12th graders had zero chronically absent students in SY 20-21, the lowest rate in the state.** We anticipate this trend to continue, given the accountability, positive incentives, and assistance (such as expansive bus routes and MTA cards) we are able to implement.

Table 31: Intrepid Had Far Fewer Chronically Absent Students than MNPS in SY 20-21

How does the percentage of students who are **Chronically Out of School** vary by **Grade**?



Governance

The school has demonstrated the capacity of its governing board and school leadership to effectively govern the school.

Since our inception, Intrepid has had a committed group of community leaders serving as volunteers on our Board of Directors. These individuals are aligned with our mission and have each contributed to fulfilling a particular need through their expertise, including legal, finance, accounting, real estate, education policy, community outreach, college admissions, and others. We have been fortunate to have great continuity on our Board dating back to our founding. Several of our Founding Board Members remain on our Board of Directors today, though we have also recently added and continue to add new talent to the Board, which brings fresh and diverse perspectives.

List of Board Members and Area of Expertise

- **John Barton** is a Specialized Industries Executive at Regions Bank, with responsibility for Regions' Healthcare, Transportation, Restaurant, and Technology and Defense specialized industry groups.
- **La’Vasia Burford | Board Vice-Chair** is the Regional Human Resources Director for the YMCA of Middle Tennessee.
- **Tom Frye** is a recently retired real estate banking and commercial real estate brokerage officer, and was a former leader of the CBRE real estate office in Nashville. Currently, he is part of the Baker Storey McDonald Properties team, a boutique retail real estate firm, and sits on the Board of the Kharis Foundation.
- **Kelli Gauthier** is the Co-founder of Chorus, a strategic communications firm that works with nonprofits, schools, social enterprises, political candidates, and government agencies.
- **Tizgel High** is Vice President, Associate General Counsel, Legal for LifePoint Hospitals where she has primary responsibility for the legal issues in physician services.
- **Ryan Holt** is a Partner at Sherrard Roe Voigt Harbison, PLC where he focuses his practice on commercial litigation and general appellate litigation.

- **Yousef Husseini** is a Mortgage Loan Originator with PennyMac Loan Services and has prior experience in finance. He is also the parent of a student at Intrepid and serves as the parent representative on the Board.
- **Mary Cypress Metz | Board Chair** is the Vice President of Strategy for the State Collaborative on Reforming Education (SCORE), where she works as a member of the leadership team to reinforce Tennessee's shared goal that every student graduates high school prepared for college and the workforce.
- **Crews Johnston, III** is a Senior Managing Director at Cushman Wakefield, the commercial real estate firm, where he specializes in the leasing, brokerage and sale of office space and brings more than 20 years of experience in commercial real estate.
- **Todd Jones | Board Treasurer** is an audit manager with the regional CPA firm Carr, Riggs & Ingram, LLC where he provides auditing, accounting and tax services for clients in the nonprofit, construction, manufacturing, and real estate industries.
- **Maria Ornelas | Board Secretary** is a Senior Assistant Director of Undergraduate Admissions at Vanderbilt University.
- **Jason Ross** is Senior Vice President, Revenue and Network Management for LifePoint Health.
- **Lauren Sikes** is the founder and CEO of Truth Collective, a leadership consulting organization working with schools, nonprofits, and businesses to offer training solutions powered by honest and open conversation.

Each Board Member takes seriously their obligation to serve as fiduciaries for Intrepid. That includes ensuring that Intrepid is (i) working to achieve the milestones set forth in our Charter Agreement for academic achievement and otherwise, (ii) providing a high-quality education to our students and being responsive to their caregivers, (iii) serving as a good steward of public funds and other finances, and (iv) compliant with all laws and regulations.

Regular Board Meetings, Board Committees, and Board Officers

The Board meets on a bi-monthly basis, and in addition to periodic Board retreats for longer discussion of important issues such as long-term strategic planning. At each of our regular bi-monthly Board meetings, Intrepid's CEO reports to the Board on the state of the school (including academics, school culture, and other issues), there is a discussion and review of recent financial information, and there is time for discussion of issues being addressed by the Board Committees. Intrepid's management shares pre-reading documents with the Board in advance of each meeting. There is a high level of engagement by Board Members at these Board meetings.

The Board also has several Committees, which meet regularly or as needed. The Board Committees include (i) Governance, (ii) Finance, (iii) Academics and Community Engagement, and (iv) Development. Each Board Member serves on one or more Committees tailored to their interests and expertise. For example, the Governance Committee is responsible for overseeing Intrepid's policies and legal compliance, evaluation of the CEO, and Board growth and development. It currently consists of two attorneys, an education policy expert, a business executive, and a human resource director. The Finance Committee is responsible for overseeing Intrepid's budget and finances. It consists of a licensed CPA and professionals with significant banking, finance, and real-estate expertise.

The Board has four Board Officers: Board Chair (Mary Cypress Metz), Vice-Chair (La'Vasia Burford), Secretary (Maria Ornelas), and Treasurer (Todd Jones). The Board has also created *ad hoc* task forces as needed, such as in the year leading up to the opening of our high school Independence Academy five years ago.

Regular Performance Reviews of Intrepid's CEO

The Board knows that its job is governance, not day-to-day management. In addition to regularly reviewing the information reported to the Board by Intrepid's management, the Board ensures that Intrepid is fulfilling its obligations through evaluations and feedback provided to Intrepid's CEO. From our inception, the Board has gathered data and provided regular feedback to the CEO, both formally and informally, and in recent years has ensured the CEO receives a full 360, annually.

Successful Transition of Executive Leadership

One of the achievements of our Board in the past ten years was the successful transition of executive leadership in 2019. Our Founder and first CEO Mia Howard led Intrepid for nearly 10 years. When she indicated her desire to transition to a new phase in her career, the Board engaged with numerous stakeholders within the schools and in the broader community as part of a comprehensive search for a new CEO. Over a period of months, the Board gathered information and had listening sessions with Intrepid's teachers and leaders and evaluated many highly qualified candidates.

The Board was pleased that Intrepid's current CEO, Abigail Rockey, rose to the top through that process and was elated that Ms. Rockey accepted the offer to serve as Intrepid's CEO. Ms. Rockey served as Interim CEO for an initial period, and after initial evaluations of Ms. Rockey's performance were highly promising, the Board asked Ms. Rockey to serve as Intrepid's CEO. The Board has been pleased with Ms. Rockey's performance for the past three years, in particular with how she has handled the challenges posed by the pandemic.

School Community + Health (Physical, Mental, Emotional)

The school demonstrated the ability to provide a safe environment for its staff and students, making facility changes and improvements as needed. The school consistently addressed the physical, social, emotional and health needs of its students.

To embrace our core values of Ignite Passion, Seek Knowledge, and Inspire Bravery, all Intrepid students deserve to learn within a vibrant school culture that fully addresses their physical, social, and emotional health needs. Intrepid strives to foster such a culture by investing heavily in mental health resources and a restorative, trauma-informed approach to school culture.

Intrepid College Prep employs a team of four staff members who provide social-emotional and mental health support to Intrepid students. Each campus team consists of staff who have backgrounds in social work, school counseling, classroom teaching, and family relations. Some members of this team also have credentials or experience in mental health services. This strategic partnership allows for a team that offers the best of both traditional school counseling methodologies with the clinical skills of a social worker. Counselors have a caseload of 20-30 students and meet with students on a weekly or bi-weekly basis, based on the needs of the individual student. Counselors also facilitate small groups for students on topics including, but not limited to, self-esteem, body image, anger management, and socialization. Additionally, the counseling, school culture, and exceptional education teams at each campus meet on a weekly basis to ensure wraparound services are available and provided for our most vulnerable students.

Intrepid also believes in the power of a school culture based on **restorative, trauma-informed practices**, instead of merely punitive measures. In order to actualize this culture, Intrepid has designed staff

professional development that puts a trauma-informed, restorative approach at the forefront of our practice. For example, the first day of professional development for staff in the academic year focuses on the concept of self-understanding. The team explores the concept of emotions, the brain and body connection, the body’s response to stress and trauma (fight, flight, or freeze), and the concept of Adverse Childhood Experiences, or ACES. Self-Understanding Day is a foundation for our team to better understand our own mental health needs, motivations, and the challenges we may experience related to emotional constancy. Intrepid continues to build on this foundation throughout the year with professional development, grade-level conversations, and one-on-one conversations that focus on root cause analysis and trauma-informed, solutions-based approach.

Additionally, Intrepid’s school culture systems are designed to promote the social and emotional wellness of all children. For example, students at each school consistently participate in content and discussions during advisory time that focus on topics including understanding emotions, navigating the pressures of social media, identifying values and belief systems, and much more.

At Intrepid, we believe that a learning environment should be well-organized and centered on school pride and academic celebrations. Students should feel safe and at-ease to engage with academic content. During the course of our last charter term, we renovated our leased middle school building to be a more effective learning space. We also added about 40,000 feet of space down the street for our high school by converting an old Circuit City. Our buildings are clean, bright, and maximize every square foot for student success. Each campus also offers a Regulate and Restore space (the “R&R Room”) which provides a calming space for students to de-escalate and regulate in a guided setting. The physical environment is specifically designed to support students in regulating by offering soothing visuals and paint colors, dim lighting, and various options for students to process their emotions including journals, color, stress balls, kinesthetic sand, etc.

Personnel and Organizational Structures

The school has evidence of effective teacher retention, professional development, well-functioning organizational structures, and personnel stability.

Team Structure and Internal Pathways

Intrepid has a dedicated HR team exclusively committed to a human capital approach that is centered on the selective recruitment and intentional retention of staff to ensure a well-functioning and long-lasting organizational structure.

Two factors that create the foundation for our well-functioning organizational structure are the functions of our leadership teams and our internal talent pathways.

Leadership Team Structure + Function

The leadership teams - consisting of the Network Team and the school-based leadership teams - function in two different ways: the Network team sets a proactive, organizational vision and strategy, while the school-based leadership teams provide daily, “on-the-ground” support reactive to student and teacher needs.

The Network Team oversees the following pillars at the organizational level: Operations, Professional Development, Academics, and Human Capital. The Network Team is composed of a CEO, Director of Operations, Director of Leadership Development, Director of Academics, and Director of Human Capital. The school-based leadership teams drive the daily operations, instruction, and culture of the school. The school based leadership teams are composed of the following, as applicable: Principal, Assistant Principals, Deans, and Associate Deans.

Network Leadership Team Organizational Chart			
CEO			
Director of Operations	Director of Leadership Development	Director of Academics	Director of Human Capital

School Based Leadership Teams Organizational Chart						
Principal						
Assistant Principal of Operations	Assistant Principal of Culture	Assistant Principal of STEM		Assistant Principal of Humanities		
Dean of Operations	Dean of Culture	Dean of Math	Dean of Science	Dean of History	Dean of English	Dean of Student Supports
<i>*Associate Deans per department, as applicable</i>						

Internal Talent Pathways

Another factor in creating a self-sustaining organizational structure is having a clearly defined continuum of positions from the most entry level (Associate Teacher) to the most senior (Principal) with targeted professional development specific to each position type that creates the conditions for internal promotion.

Examples of the targeted professional development specific to position type include:

- *The Associate Teacher program:* a professional development cohort especially designed for aspiring teachers that centers on the coaching and mentorship by a Master Teacher.
- *The Intrepid New Teacher Cohort program:* a professional development cohort especially designed for first year teachers and is an additional layer of support in conjunction with traditional content coaching. Intrepid also partners with local job-embedded certification programs to provide tuition assistance and academic support for non-traditional first year teachers.
- *The Emerging Leader Cohort program:* a professional development cohort designed to equip teachers with the scaffolded skills needed to smoothly transition into leadership in the next one to three years.
- *The Intrepid Leader Cohort:* a professional development cohort of school-based leadership teams focused on improving people management, emotional intelligence, and interpersonal skills.

Each of these cohorts meets at least once monthly as a group, and members receive individualized weekly coaching from their manager.

By creating a pathway of advancement internally within the organization, our staff can explore their interests and grow their skills based on their current position type and their desired next role. Our “grown our own” approach creates an internal pipeline of candidates from entry level to leadership roles, creating a self-sustaining model for hiring and development.

Staff Retention

We center our retention approach on the mantra that our staff should feel “safe, seen, heard and challenged.” Each of the components of this mantra speak to a forward-thinking, holistic approach to supporting both the personal and professional growth of our team. Since shifting to this more holistic approach, we have seen a consistently higher staff retention rate. During previous years of Intrepid’s operation (2014-2019) we saw an average staff retention rate of 57%. **Since implementing a new management philosophy, our average staff retention has averaged 78% with a projected 88% of staff returning for SY 2022-2023.**

Feeling Safe + Seen

We believe that in order to feel safe and secure within your workplace, your job needs to be physically, emotionally, and financially sustainable, and your team culture needs to be inclusive and healthy.

To create more sustainability, we have made the following changes to a traditional teacher or support role:

- We have reallocated teacher administrative responsibilities through the hiring of Associate Teachers and Teaching Assistants. There has also been a distribution of tasks among leadership teams, so that teachers and school staff can **focus on the highest stakes** parts of their jobs (strong instruction, student relationships, family communication).
- We offer flexible scheduling and time-at-work options for working parents and staff members with unique needs.

We have also rolled out the following initiatives to ensure staff are feeling “seen,” which creates a team culture that is inclusive, positive, and healthy.

- We have increased our **focus on mental health and well-being resources**, including education regarding the Employee Assistance Program, employer funded HSAs and FSAs, coaching/mentor relationships based in Emotional Intelligence, increased Emotional Intelligence professional development of our leadership teams, whole-staff meditation practices, and creating an open dialogue about mental health within the school for staff and students.
- We have invested in financial resources for our staff including a **staff relief fund** sponsored by our Board of Directors called the Employee Assistance Fund (which provides ad hoc funding for staff experiencing a financial emergency or unplanned expense), offering tuition assistance for non-traditionally certified teachers, providing financial planning resources, and increasing our pay scale.
- We have dedicated time and space to **Diversity, Equity, and Inclusion** development, which has included an anti-racist book club, a monthly anti-racist small-group discussion, documentary screenings, article analyses, and creating an open dialogue about Diversity, Equity, and Inclusion within the school for our staff and students.

Feeling Heard + Challenged

The final two components of our retention philosophy are centered around teacher voice (feeling heard) and performance coaching (feeling challenged). Monthly, we administer anonymous staff surveys which all senior leaders read and review. Our senior leadership team also hosts monthly roundtables for staff to share perspectives on different programs, ideas they have for improving the school, and concerns they may want to surface.

Based on teacher input and feedback from all-staff surveys and monthly roundtables, many changes have been made at an organizational level. Some include:

- Changes to the structure of whole-staff PD to include a monthly rotation of **teacher independent work time**
- Allowing more time for autonomous, independent work time, including “remote” work opportunities
- Offering differentiated professional development opportunities for staff based on experience and proficiency level
- The implementation of an SEL curriculum + Advisory structures

Section III- Financial Health

Progress Towards Financial Goals

The school consistently met or exceeded expectations on the local board's annual performance evaluation. The school did not receive any notices of concern or other interventions from the LEA.

Over the past nine years, Intrepid College Prep has maintained strong financial practices that have allowed the school to flourish operationally and meet or exceed all specific self-identified goals in our initial application (see table in subsequent section for more details). As noted by the MNPS Office of Charter Schools' initial report, "The school has consistent clear audits. **The school's financial condition merits a rating of good standing with the district.**" The school has not received any financial notices of concern.

Financial Management

The school met or has made sufficient progress toward meeting financial goals outlined in the charter agreement. There is a detailed description of the school's fiscal health.

Intrepid's financial health has been consistently strong for the past nine years as measured against self-identified goals (numbers in the far left side of the table correspond to original application goal) and as measured against the Performance Framework from the MNPS Office of Charter Schools. The school has operated primarily on public (local and federal pass through) monies, with philanthropy supporting only those programs left un- or underfunded by public dollars (transportation, facilities, staff development programs).

Area		Measure	Year of Operation							
			2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Annual Financial Health		Operating Income	\$144,100	\$178,127	\$513,794	\$179,876	\$342,604	(\$394,634)	\$13,453	\$4,374,832
		Fund Balance	\$249,089	\$333,260	\$847,055	\$1,026,931	\$1,369,535	\$980,225	\$993,677	\$5,368,509
		Fund Balance %	22%	17%	31%	25%	23%	13%	12%	62%
Short-Term Financial Strength	2.01	Current Ratio	3.09	2.61	1.85	2.52	2.53	1.40	3.09	6.23
	2.02	Average Days Cash on Hand	46.88	38.55	62.56	60.73	52.01	46.09	45.44	127.89
		Board Approved Enrollment	n/a	184	285	380	400	600	730	865
	2.03	Actual Enrollment	81	180	291	373	493	562	714	876
		Actual-to-Planned Enrollment		98%	102%	98%	123%	94%	98%	101%
Long-Term Financial Strength	3.01	3-Year Rolling Total Margin			12.5%	9.0%	7.5%	0.7%	-0.2%	13.8%
	3.02	Cash Balance on June 30th	\$276,325	\$360,763	\$641,206	\$688,544	\$1,125,729	\$376,305	\$1,835,812	\$4,346,606
		Change Over Prior Year		\$84,438	\$280,444	\$47,338	\$437,185	-\$749,424	\$1,459,507	\$2,510,795
	3.03	Debt-to-Asset Ratio	0.58	0.67	0.50	0.50	0.46	0.54	0.73	0.17
	3.04	Debt Service Coverage Ratio	17.41	16.60	3.99	6.43	7.72	-0.45	3.65	45.84

The school has consistently met generally accepted standards of fiscal management. The school is fiscally sound and consistently receives clean financial audits with no findings.

Intrepid College Prep has created and maintained accounting, billing, cash control policies, and procedures and records which are consistent with Generally Accepted Accounting Principles (GAAP) and which meet the requirements of state and federal statutes and regulations. These accounting, audit, and financial management policies are designed to protect and secure the assets of Intrepid College Prep, ensure the maintenance of accurate records of Intrepid College Prep's financial activities, and ensure compliance with governmental and private funder reporting requirements. Since its inception and in partnership with internal executive and operations staff, Intrepid College Prep has engaged the services of both an outside financial support entity (EdTec) as well as an experienced independent auditor, both of whom provide the necessary financial and accounting oversight to adhere to these policies.

Intrepid is committed to **long term financial health**, regardless of enrollment numbers, uncertain per pupil funding numbers, and different year to year needs. Our CEO and Board of Directors take their fiduciary responsibilities seriously, and the finance committee has met monthly or bi-monthly for the past nine years. Our historical audits have all been clean, and our cash management has been strong.

The school has addressed any fiscal challenges effectively during the current charter term.

Overall, the financial program at Intrepid has been successfully managed with strong oversight from both management and governance. Even a short-term operating income deficit during the 18-19 fiscal year had been planned for, as the school took on growth of a high school along with all the necessary expenditures included in that process, such as an additional campus, hiring credentialed teaching staff, new administrators, and curricular support.

Alignment to Mission

The school has demonstrated a clear alignment between expenditures and the school's mission, academic growth, and staff development.

Recruiting and retaining high quality talent and focusing on the educational experience of students are the two main drivers behind our mission to provide an excellent education for students so that they can access their unlimited futures. The largest proportion of our annual budget is dedicated to personnel—salaries, benefits, and additional programs that allow our staff of all needs and backgrounds to flourish. We aim to pay one of the **most competitive wages in the city** for teachers. Intrepid also funds teacher participation in professional development programs, whether that is additional credentialing, membership in programs such as the Achievement First Navigator program, or annual Advanced Placement conferences. We also dedicate a large portion of our budget to student needs and experiences. Specifically, we earmark large sums of money to provide students with access to high quality college visits, robustly stocked classroom libraries, and differentiated curricular materials.

Section IV- Future Plans/Projections

Over the past nine years we have done the heavy lifting to create and refine a school model that is effective for students in Southeast Nashville. Our plan for the future can be simply put—we hope to become better, faster, at the things we have learned to do. Though we have seen immense success with our founding classes of students, we know we need to **learn how to sustain quality** while pushing ourselves to achieve more alongside students and families so that Intrepid remains a top open-enrollment public school option.

Objectives and Key Results For The Next Charter Term

Alongside staff and students, Intrepid’s senior leadership team has developed a top line series of objectives and key results (“OKRS”) for our school for the years to come. They reflect both our commitment to excellent academic outcomes and strong relationships. As outlined in the many pages above, our organization has a strong foundation on which to continue to build as we work to execute on these goals.

Intrepid will be the **one of the best public schools to work at in Nashville** as measured by:

- 80% of staff members will report that they can bring their “full selves” to work
- 80% of staff will say they have the agency and ability needed to productively contribute to Intrepid’s top line objectives
- 80% of staff will agree that they are active participants in their own professional development and can identify short term gains and long term possibility within the organization
- 80% of staff members will participate in at least one human capital program annually
- The average tenure for staff members at Intrepid will be at least five years

Intrepid will be **one of the highest achieving public schools in Nashville**, as measured by:

- The new Tennessee annual performance framework
- Independence Academy students will, on average, boast an unweighted GPA of 3.00 or higher
- Independence Academy students will boast an overall average composite ACT score of 24
- 70% of Independence Academy students will complete a high quality post-secondary program within 6 years of graduation
- At the end of 8th grade, 80% of Opportunity Academy students will be On-Track ACT 21 on the NWEA MAP assessment in ELA + math
- By the end of 8th grade, 80% of Opportunity Academy students designated as active EL will exit the program

Intrepid will offer a **high quality student experience**, as measured by:

- 80% of students will report that they can bring their “full selves” to school
- 80% of students will agree they have the agency and skills needed to productively contribute to Intrepid’s community
- 80% of Intrepid students will report being celebrated for an achievement in the past quarter
- 80% of students will agree that their experience at Intrepid has cultivated their values-based decision making and thinking
- 80% of Intrepid students and families will identify high-quality post-secondary education as their desired path after graduation

Operational and Financial Management

At this time, Intrepid has no major changes planned for organizational leadership, no plans to grow, and no major restructuring of our program. Our goal in this area is to maintain and refine the various pathways we have identified for staff development and retain over 80% of staff overall and 90% of leaders from year to year. We plan to maintain consistent enrollment of around 860 students per year during the next charter term, and our budget drivers are conservatively based on 850 students. In sum, we are proud of the work we have accomplished in the last nine years, but eager to grow even more in the same areas in the future. We still have ground to cover.

The organization's long term financial health is projected to remain secure with coverage ratios and projections that fall within our previous term metrics. Given Intrepid's track record of stable growth and success in the major areas of performance—academics, operations, and finance, we are confident in our ability to continue as a strong partner to MNPS for the next 10 years and beyond.



Model Charter School Performance Framework

August 2018

Introduction

Pursuant to Tennessee Code Annotated (T.C.A.) § 49-13-143, if a chartering authority has not adopted a performance framework for all of its schools, it must adopt the model performance framework developed by the department for its charter schools. The Tennessee Department of Education has adopted the following model performance framework for charter schools in compliance with this statute.

This model is based on the framework created by the Tennessee State Board of Education in 2014 and revised in January 2018.

This model charter school performance framework was designed to be modified and may be adjusted as appropriate to align with the specific performance goals within each charter school's agreement.

Section I. Academic Performance & School Culture

Pursuant to T.C.A. § 49-13-102, two of the purposes of a charter school are to improve learning for all students and to ensure that children have the opportunity to reach proficiency on state academic assessments. In addition, the law states that “[t]he performance-related provisions within a charter agreement shall be based on a performance framework that clearly sets forth the academic and operational performance indicators, measures, and metrics that will guide the authorizer's evaluation of each public charter school.”¹ For students, families, and the community, the main question that needs to be answered is: “Is this school a high-achieving school?” With increased school autonomy, a bedrock of charter school authorization, comes the expectation of high academic achievement. The following pages outline the measures by which a charter school's academic performance may be evaluated for purposes of yearly monitoring, potential interventions and plans of correction, and renewal and revocation decisions. A school will be evaluated on each performance measure and will receive a rating for each measure as well as a composite score that encompasses the entire academic performance framework.

¹ T.C.A. § 49-13-143(a)

The academic performance framework is made up of three key areas, which are outlined below. Additional details and explanations around these areas are included in the pages that follow.

1. Student Achievement (50%)
2. Comparative Performance (30%)
3. School Culture (20%)

1: Student Achievement (50%)

Charter schools will be evaluated in the following three areas in student achievement. The total weight of the following three areas equals 50 percent of the total final score for this area.

1. *Absolute Achievement*: Absolute achievement will be measured by the percentage of students scoring “On Track” or “Mastered” on the Tennessee state assessments in the subject areas of ELA, math, and science.² The total scoring weight for absolute achievement is 25 percent with each subject area consisting of 8.3 percent of the total 25 percent. If a school is not being tested in a certain area, the total of 25 percent will be reallocated equally among the total tested subject areas.
2. *Growth*: Growth in achievement will be measured by the TVAAS overall composite index. TVAAS composites are reported on a 1-5 scale and are one-year scores.
3. *Chronic Absenteeism*: Defined as the percent of students missing 10 percent or more of enrolled school days.

² The science thresholds are based on Tennessee state assessment data from 2017. Once the new aligned science TNReady assessments are released, these science thresholds will be updated to be more consistent with the latest science assessment data.

The following table is provided as a model and may be adjusted as necessary to align with agreed upon performance goals between the authorizer and the charter operator.

Sub-Category	Description	Grade Level	Falls Far Below Standard	Does Not Meet Standard	Meets Standard	Exceeds Standard	Total Weight
	Points Total		1	2	3	4	
Absolute Achievement	Absolute performance in ELA, as measured by Tennessee state assessments - Percent of students scoring On Track/Mastered	All	Less than 20%	20%-34.9%	35%-49.9%	50% or more	8.3%
	Absolute performance in math, as measured by Tennessee state assessments - Percent of students scoring On Track/Mastered	All	Less than 20%	20%-34.9%	35%-49.9%	50% or more	8.3%
	Absolute performance in science, as measured by Tennessee State Assessments - Percent of students scoring On Track/Mastered	All	Less than 40%	40%-49.9%	50%-70%	Greater than 70%	8.3%
Growth	TVAAS overall composite index	All	Level 1	Level 2	Level 3	Level 4 & 5	20%
Chronic Absenteeism	The percent of students missing 10 percent or more of enrolled school days	HS	Greater than 30%	20.1-30%	10.1%-20%	10% or less	5%
		K-8	Greater than 20%	13.1%-20%	6.1%-13%	6% or less	

2: Comparative Performance (30%)

This section of the performance framework measures comparative performance between the charter school and the authorizing district average in the subject areas of English/language arts, mathematics, science and social studies. Comparison of charter performance to the authorizing district average allows for the evaluation of whether the charter school is providing a better option for students. Comparative achievement will be measured by evaluating the percentage of students who scored “On Track” or “Mastered” on the state assessments at the charter school, as compared to the authorizing district average.

- In grades 3-8, an average percent “On Track” or “Mastered” of all grades will be calculated for each tested subject.
 - This average will be calculated by taking the total number of students scoring “On Track” or “Mastered” and dividing it by the total number of students who took the test in grades 3-8.
- In high school, an average percent “On Track” or “Mastered” will be calculated for end-of-course (EOC) assessments in English I and II, Algebra or Integrated Math I, Geometry or Integrated Math II, Algebra II or Integrated Math III, Biology, and U.S. History.
 - This average will be calculated by taking the total number of students scoring “On Track” or “Mastered” and dividing it by the total number of students who took the tests, which will be grouped by subject.
 - EOC assessments will be grouped by subject in the following way:
 - ELA: English I and II
 - Math: Algebra or Integrated Math I, Geometry or Integrated Math II, Algebra II or Integrated Math III
 - Science: Biology
 - Social Studies: U.S. History

*If a school is not being tested in certain subject areas, the total weight will be reallocated equally among the total tested subject areas.

The following table is provided as a model and may be adjusted as necessary to align with agreed upon performance goals between the authorizer and the charter operator.

Measure	Description		Falls Far Below Standard	Does Not Meet Standard	Meets Standard	Exceeds Standard	Total Weight
2a	School comparative performance to authorizing district average in ELA	All Grades	More than 15 percentage points lower than the authorizing district	5.1-15 percentage points lower than the authorizing district	Up to 5 percentage points below or above the authorizing district	Greater than 5 percentage points higher than the authorizing district	7.5%
2b	School comparative performance to authorizing district average in math	All Grades	More than 15 percentage points lower than the authorizing district	5.1-15 percentage points lower than the authorizing district	Up to 5 percentage points below or above the authorizing district	Greater than 5 percentage points higher than the authorizing district	7.5%
2c	School comparative performance to authorizing district average in science	All Grades	More than 15 percentage points lower than the authorizing district	5.1-15 percentage points lower than the authorizing district	Up to 5 percentage points below or above the authorizing district	Greater than 5 percentage points higher than the authorizing district	7.5%
2d	School comparative performance to authorizing district average in social studies	All Grades	More than 15 percentage points lower than the authorizing district	5.1-15 percentage points lower than the authorizing district	Up to 5 percentage points below or above the authorizing district	Greater than 5 percentage points higher than the authorizing district	7.5%

3: School Culture (20%)

This section of the performance framework measures aspects of the school culture by assessing the school's suspension, student attrition, teacher retention, and student attendance rates.

The following table is provided as a model and may be adjusted as necessary to align with agreed upon performance goals between the authorizer and the charter operator.

Measure	Description	Grade Level	Falls Far Below Standard	Does Not Meet Standard	Meets Standard	Exceeds Standard	Total Weight
3a	Suspension rate	ES	5% or more	4%-4.9%	3%-3.9%	Less than 3%	5%
		MS	20% or more	13%-19.9%	5%-12.9%	Less than 5%	
		HS	10% or more	8%-9.9%	4%-7.9%	Less than 4%	
3b	Student attrition rate	All	35% or more	25%-34.9%	15%-24.9%	Less than 15%	5%
3c	Teacher retention rate	All	Less than 65%	65%-74.9%	75%-84.9%	85% or more	5%
3d	Student attendance rate	All	Less than 90%	90%-93.9%	94%-96.9%	97% or more	5%

3a: The suspension rate is measured as the percentage of individual students suspended one or more times at a school during the school year. This rate includes out-of-school suspensions only.

3b: The student attrition rate is measured as the total percentage of students who left the school for reasons other than completing the highest grade in one annual cycle between Oct. 1 of a given year and Oct. 1 of the next year.³ This annual cycle was selected to account for student attrition during the school year and during the summer months.

3c: Teachers who are non-renewed are not included as part of the teacher retention rate. This metric will also hold harmless teachers who move into a different role at the school or in the charter management organization.

3d: The student attendance rate is measured as an average number of days students attend school as compared to the average number of days students are enrolled.

³ Oct. 1 is commonly used as the date by which schools track official enrollment numbers, because typical beginning-of-year fluctuations in enrollment even out by Oct. 1. The National Center for Education Statistics (NCES) also uses this date when referencing enrollment for a given year.

Section I Rating System

Each school will receive points for each measure based on where they fall on the range (from “Falls Far Below Standard” through “Exceeds Standard”). Then, the points for the measure will be weighted according to each measure’s assigned weight. Each rating will receive the following number of points:

Rating	Falls Far Below Standard	Does Not Meet Standard	Meets Standard	Exceeds Standard
Points	1	2	3	4

The number of points received will be multiplied by the section weight to yield a final score for the academic and cultural section.

Example: ABC Charter School

Section	Section Weight	Indicator	Falls Far Below Standard	Does Not Meet Standard	Meets Standard	Exceeds Standard	Final Score	Indicator Weight	Weighted Score
Student Achievement	50%	School academic performance, as measured by TN's accountability system	1	2	3	4	3	50%	1.5
Comparative Performance	30%	School comparative performance to authorizing district average in ELA	1	2	3	4	2	7.5%	0.15
		School comparative performance to authorizing district average in math	1	2	3	4	3	7.5%	0.225
		School comparative performance to authorizing district average in science	1	2	3	4	1	7.5%	0.075
		School comparative performance to authorizing district average in social studies	1	2	3	4	3	7.5%	0.225
Culture	20%	Suspension rate	1	2	3	4	2	5%	0.10
		Student attrition rate	1	2	3	4	3	5%	0.15
		Teacher retention rate	1	2	3	4	3	5%	0.15
		Student attendance rate	1	2	3	4	3	5%	0.15
Average Total Rating* = 3 (Meets Standard)									

*To assign the final score determination, the “Average Total Rating” will be rounded to the nearest whole number. (For example, a score of 2.5 would be rounded up to a 3 and assigned the determination of “Meets Standard.” A score of 2.4 would be rounded down to a 2 and a determination of “Does Not Meet Standard.”)

Section II. Financial Performance

In addition to academic performance, another important indicator of short-term and long-term success of charter schools is financial performance. Annually, a charter school will be rated on the following near term and sustainability indicators. Any school that receives a “Falls Far Below” rating in any category will receive an immediate Plan of Correction to assist in remedying the deficiencies in this financial area. Three or more successive years of ratings that include a measure in the “Falls Far Below” category may result in a recommendation of immediate revocation of the charter.

The following indicators, measures and suggested ratings are provided as a model and may be adjusted as necessary to align with agreed upon performance goals between the authorizer and the charter operator.

Indicators and Measures:

1. Near Term Indicators:
 - a. Current Ratio
 - b. Unrestricted Days Cash
 - c. Enrollment Variance
 - d. Default
2. Sustainability Indicators:
 - a. Total Margin
 - b. Debt to Asset Ratio
 - c. Cash Flow
 - d. Debt Service Coverage Ratio

1: Near Term Indicators

1(a). Current Ratio:

The Current Ratio is determined by dividing the charter school's total current assets divided by the current liabilities.

☐ Meets Standard

- Current Ratio is greater than or equal to 1.1, OR
- Current Ratio is between 1.0 and 1.1 and one-year trend is positive (current year ratio is higher than last year's)
- *For schools in their first or second year of operation, the Current Ratio is greater than or equal to 1.1*

☐ Does Not Meet Standard

- Current Ratio is between 0.9 and 1.0 or equal to 1.0, OR
- Current Ratio is between 1.0 and 1.1 and one-year trend is negative

☐ Falls Far Below Standard

- Current Ratio is less than or equal to 0.9, OR
- If a school is in their first or second year of operation, Current Ratio is less than 1.1

1(b). Unrestricted Days Cash:

Unrestricted Days Cash divided by ([Total Expense minus Depreciation Expenses] Divided by 365)

☐ Meets Standard

- 60 Days Cash, OR
- Between 30 and 60 Days Cash and one-year trend is positive
- For schools in their first or second year of operation, Days Cash is 30 days or greater

☐ Does Not Meet Standard

- Days Cash is between 15-30 days, OR
- Days Cash is between 30-60 days and one-year trend is negative

☐ Falls Far Below Standard

- Fewer than 15 days cash, OR
- For schools in their first or second year of operation, Days Cash is less than 30 days

1(c). Enrollment Variance:

Actual Enrollment divided by Enrollment Projection in Charter School Board-Approved Budget

- ☐ Meets Standard
 - Enrollment Variance equals or exceeds 95 percent in the most recent year
- ☐ Does Not Meet Standard
 - Enrollment Variance is between 85 percent and 95 percent in the most recent year
- ☐ Falls Far Below Standard
 - Enrollment Variance is less than 85 percent in the most recent year

1(d). Default:

- ☐ Meets Standard
 - School is not in default of loan covenant(s) and/or is not delinquent with debt service payments
- ☐ Does Not Meet Standard
 - School is in default of loan covenant(s), but has worked with lender(s) to restructure debt service payments
- ☐ Falls Far Below Standard
 - School is in default of loan covenant(s) and/or is delinquent with debt service payment

2: Sustainability Measures

2(a). Total Margin:

Total Margin is Net Income divided by Total Revenue, and Aggregated Total Margin is Total Three-Year Net Income divided by Total Three-Year Revenues

- ☐ Meets Standard
 - Aggregated Three-Year Total Margin is positive and the most recent year Total Margin is positive, OR
 - Aggregated Three-Year Total Margin is greater than -1.5 percent, the trend is positive for the last two years, and the most recent year Total Margin is positive
 - For schools in their first or second year of operation, the cumulative Total Margin is positive

- Does Not Meet Standard
 - Aggregated Three-Year Total Margin is greater than -1.5 percent, but trend does not “Meet Standard”
- Falls Far Below Standard
 - Aggregated Three-Year Total Margin is less than or equal to -1.5 percent,
 - The most recent year Total Margin is less than -10 percent, OR
 - For schools in their first or second year of operation, the cumulative Total Margin is negative

2(b). Debt to Asset Ratio:

Total Liabilities divided by Total Assets

- Meets Standard
 - Debt to Asset Ratio is less than 0.9
- Does Not Meet Standard
 - Debt to Asset Ratio is between 0.9 and 1.0
- Falls Far Below Standard
 - Debt to Asset Ratio is greater than 1.0

2(c). Cash Flow:

Multi-Year Cash Flow = Year 3 Total Cash – Year 1 Total Cash; One-Year Cash Flow = Year 2 Total Cash – Year 1 Total Cash

- Meets Standard
 - Multi-Year Cumulative Cash Flow is Positive and Cash Flow is positive each year, OR
 - Multi-Year Cumulative Cash Flow is positive, Cash Flow is positive in one of two years, and Cash Flow in the most recent year is positive
 - For schools in their first or second year of operation, cash flow is positive
- Does Not Meet Standard
 - Multi-Year Cumulative Cash Flow is positive, but trend does not “Meet Standard”

- ☐ Falls Far Below Standard
 - Multi-Year Cumulative Cash Flow is negative, OR
 - For schools in their first or second year of operation, cash flow is negative

2(d). Debt Service Coverage Ratio:

(Net Income + Depreciation + Interest Expense) divided by (Annual Principal, Interest, and Lease Payments)

- ☐ Meets Standard
 - Debt Service Coverage Ratio is equal to or exceeds 1.1
- ☐ Does Not Meet Standard
 - Debt Service Coverage Ratio is less than 1.1
- ☐ Falls Far Below Standard
 - Not Applicable

Section III: Organizational Performance

A charter school's performance in the organizational measures is a large piece of the overall health of a charter school. Deficiencies or weaknesses in organizational performance may be an indicator of the overall health of the charter school. Any school that receives a "Falls Far Below" rating in any category will receive an immediate Plan of Correction to assist in remedying the deficiencies in this organizational area. Three or more successive years of ratings that include a measure in the "Falls Far Below" category may result in a recommendation of immediate revocation of the charter.

The following indicators, measures and suggested ratings are provided as a model and may be adjusted as necessary to align with agreed upon performance goals between the authorizer and the charter operator.

Indicators and Measures:

1. Education Program:
 - a. Charter Terms
 - b. Compliance with Education Requirements
 - c. Students with Disabilities Rights
 - d. English Language Learner Rights
2. Financial Management and Oversight
 - a. Financial Reporting and Compliance Reporting
 - b. Generally Accepted Accounting Principles
3. Governance and Reporting
 - a. Governance Requirements
 - b. Accountability of Management
 - c. Reporting Requirements
4. Students and Employees
 - a. Rights of Students
 - b. Credentialing
 - c. Employment Rights
 - d. Background Checks
5. School Environment
 - a. Facilities and Transportation
 - b. Health and Safety
 - c. Information Handling
6. Additional Obligations
 - a. All Other Obligations

1: Education Program

1(a). Is the school implementing the material terms of the education program as defined in the current charter contract?

☐ Meets Standard

- The school implemented the material terms of the education program in all material respects and the education program in operation reflects the material terms as defined in the charter contract, or the school has gained approval for a charter modification to the material terms.

☐ Does Not Meet Standard

- The school failed to implement the material terms of the education program as defined in the charter agreement; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to implement the material terms of the education program as defined in the charter agreement in the manner described above.

1(b). Is the school complying with applicable education requirements?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to education requirements, including but not limited to:
 - Instructional days or minutes requirements
 - Graduation and promotion requirements
 - Content standards
 - State assessments
 - Implementation of mandated programming as a result of state or federal funding

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to education requirements as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to education requirements as described above.

1(c). Is the school protecting the rights of students with disabilities?

□ Meets Standard

- Consistent with the school's status and responsibilities, the school materially complies with applicable laws, rules, regulations, and provisions of the charter contract (including the Individuals with Disabilities Education Act, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act) relating to the treatment of students with identified disabilities and those suspected of having a disability, including but not limited to:
 - Equitable access and opportunity to enroll
 - Identification and referral
 - Appropriate development and implementation of Individualized Education Plans and Section 504 plans
 - Operational compliance, including provision of services in the least restrictive environment and appropriate inclusion in the school's academic program, assessments, and extracurricular activities
 - Discipline, including due process protections, manifestation determinations, and behavioral intervention plans
 - Access to the school's facility and programs in a lawful manner and consistent with students' IEPs or Section 504 Plans
 - Securing of all applicable funding

□ Does Not Meet Standard

- The school did not materially comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to the treatment of students with identified disabilities and those suspected of having a disability in the manner described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to the treatment of students with identified disabilities and those suspected of having a disability in the manner described above.

1(d). Is the school protecting the rights of English Language Learner (ELL) students?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract (including Title III of the Elementary and Secondary Education Act (ESEA) and the US Department of Education authorities) relating to the English Language Learner requirements, including but not limited to:
 - Required policies related to the service of ELL students
 - Proper steps for identification of students in need of ELL services
 - Appropriate and equitable delivery of services to identified students
 - Appropriate accommodations on assessments
 - Exiting of students from ELL services
 - Ongoing monitoring of exited students

☐ Does Not Meet Standard

- The school did not materially comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to English Language Learner requirements in the manner described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to English Language Learner requirements in the manner described above.

2: Financial Management

2(a). Is the school meeting financial reporting and compliance requirements?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to financial reporting requirements, including but not limited to:
 - Complete and on-time submission of financial reports, including annual budget, revised budget (if applicable), periodic financial reports as required by the authorizer, and any reporting requirements if the board contracts with an Education Service Provider (ESP)

- On-time submission and completion of annual independent audit and corrective action plans, if applicable
- All reporting requirements related to the use of public funds

□ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to financial reporting requirements as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to financial reporting requirements as described above.

2(b). Is the school following Generally Accepted Accounting Principles?

□ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to financial management and oversight expectations as evidenced by an annual independent audit, including but not limited to:
 - An unqualified audit opinion
 - An audit devoid of significant findings and conditions, material weaknesses, or significant internal control weaknesses
 - An audit that does not include a going concern disclosure in the notes or an explanatory paragraph within the audit report

□ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to financial management and oversight expectations as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to financial management and oversight expectations as described above.

3: Governance and Reporting

3(a). Is the school complying with governance requirements?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to governance by its board, including but not limited to:
 - Board policies, including those related to oversight of an Education Service Provider (ESP), if applicable
 - Board bylaws
 - State open meetings law
 - Code of ethics
 - Conflicts of interest
 - Board composition and/or membership rules (e.g., requisite number of qualified teachers, ban on employees or contractors serving on the board, etc.)
 - Compensation for attendance at meetings

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to governance by its board as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to governance by its board as described above.

3(b). Is the school holding management accountable?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to oversight of school management, including but not limited to:
 - (For Education Service Providers [ESPs]) Maintaining authority over management, holding it accountable for performance as agreed under a written performance agreement, and requiring annual financial reports of the ESP

- (For Others) Oversight of management that includes holding it accountable for performance expectations which may or may not be agreed to under a written performance agreement

□ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to oversight of school management; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to oversight of school management as described above.

3(c). Is the school complying with reporting requirements?

□ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to relevant reporting requirements to the school's authorizer, State Education Agency (SEA), , and/or federal authorities, including but not limited to:
 - Accountability tracking
 - Attendance and enrollment reporting
 - Compliance and oversight
 - Additional information requested by authorizer

□ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement relating to relevant reporting requirements as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter agreement as described above.

4: Students and Employees

4(a). Is the school protecting the rights of all students?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to the rights of students, including but not limited to:
 - Policies and practices related to admissions, lottery, waiting lists, fair and open recruitment, and enrollment (including rights to enroll or maintain enrollment)
 - The collection and protection of student information (that could be used in discriminatory ways or otherwise contrary to law)
 - Due process protections, privacy, civil rights, and student liberties requirements, including First Amendment protections and the Establishment Clause restrictions prohibiting public schools from engaging in religious instruction
 - Conduct or discipline (discipline hearings and suspension and expulsion policies and practices)

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to the rights of students as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to the rights of students as described above.

4(b). Is the school meeting teacher and other staff credentialing requirements?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract (including the federal Highly Qualified Teacher and Paraprofessional requirements within Title II of the Elementary and Secondary Education Act [ESEA]) relating to state certification requirements.

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to state certification requirements; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to state certification requirements.

4(c). Is the school complying with laws regarding employee rights?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to employment considerations, including those relating to the Family Medical Leave Act, the Americans with Disabilities Act, and employment contracts. The school does not interfere with employees' rights to organize collectively or otherwise violate staff collective bargaining rights.

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to employment considerations; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to employment considerations.

4(d). Is the school completing required background checks?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to background checks of all applicable individuals (including staff and members of the charter community, where applicable).

□ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to background checks; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to background checks.

5: School Environment

5(a). Is the school complying with facilities and transportation requirements?

□ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to the school facilities, grounds, and transportation, including but not limited to:
 - Americans with Disabilities Act (ADA)
 - Fire inspections and related records
 - Viable certificate of occupancy or other required building use authorization
 - Documentation of requisite insurance coverage
 - Student transportation

□ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to the school facilities, grounds, and transportation as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

□ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to school facilities, grounds, and transportation as described above.

5(b). Is the school complying with health and safety requirements?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to safety and the provision of health-related services, including but not limited to:
 - Appropriate nursing services and dispensing of pharmaceuticals
 - Food service requirements
 - Other district services, if applicable

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to safety and the provision of health-related services as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to safety and the provision of health-related services as described above.

5(c). Is the school handling information appropriately?

☐ Meets Standard

- The school materially complies with applicable laws, rules, regulations, and provisions of the charter contract relating to handling of information, including but not limited to:
 - Maintaining the security of and providing access to student records under the Family Educational Rights and Privacy Act and other applicable authorities
 - Accessing documents maintained by the school under the state's Freedom of Information law and other applicable authorities
 - Transferring of student records
 - Proper and secure maintenance of testing materials

☐ Does Not Meet Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to the handling of information as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions of the charter contract relating to the handling of information as described above.

6: Additional Obligations

6(a). Is the school complying with all other obligations?

☐ Meets Standard

- The school materially complies with all other material legal, statutory, regulatory, or contractual requirements contained in its charter contract that are not otherwise explicitly stated herein, including but not limited to requirements from the following sources:
 - Revisions to state charter law
 - Consent decrees
 - Intervention requirements by the authorizer
 - Requirements by other entities to which the school is accountable (e.g. State Education Agency[SEA])

☐ Does Not Meet Standard

- The school failed to materially comply with all other material, legal, statutory, regulatory, or contractual requirements contained in its charter contract that are not otherwise explicitly stated herein as described above; however, the school promptly came into compliance once the shortcoming(s) were identified.

☐ Falls Far Below Standard

- The school failed to comply with all applicable laws, rules, regulations, and provisions contained in its charter contract that are not otherwise explicitly stated herein as described above.

Exhibit 3: Annenberg Standards

1. Charter School shall report on their websites and in enrollment and marketing materials the full range of academic, enrichment, and extracurricular offerings that they provide.
2. Members Charter School governing board are required to file full financial disclosure reports and identify any potential conflicts of interest, relationships with management companies, or other business dealings with the school, its management company, or other charter schools. These documents should be available online through MNPS' website.
3. Governing board of Charter School is required to hold all meetings in the district in which their school or schools operate. All meetings are to be open to the public and publicized in advance in accordance with applicable state law.
4. Charter School shall provide online access to minutes from Charter School governing board meetings, the school's policies, information about staff, instructional strategies, curriculum, school rules and behavior codes, school budgets, and information about management companies or other large contracts.
5. Charter Schools and MNPS are subject to state laws regarding freedom of information, public records, and public meetings.
6. Complete contracts for management services are required to be electronically posted on the schools' website within ten days of execution. The posting should include detailed information about the services to be provided by the management company and all financial commitments and compensation, as well as all fees and bonuses to be provided to the management company.
7. Charter School shall make full public financial disclosure by charter management organizations of their expenditures and net revenues related to the operation of each school they serve.
8. Charter Schools is prohibited from allowing anyone with a financial relationship to a management organization or the staff of any authorizing agency from serving on the governing board of the Charter School.
9. Charter School is prohibited from utilizing enrollment and registration procedures that directly or indirectly exclude or discourage certain students from enrolling at the school. Certain schools, such as academic magnets and performing arts schools, shall be exempted.
10. Charter School shall make available public documentation and reporting of student attrition throughout the school year, including date, reason, and disposition (where the student ends up). This should include all disciplinary actions, including both in- and out-of-school suspensions and referrals to law enforcement, and "voluntary" and "involuntary" exits. It should be disaggregated by race/ethnicity, gender, age, grade level, free/reduced meal status, disability status, and English proficiency status.
11. Before any student withdraws from Charter School, the student, his or her parent or guardian, and Charter School personnel shall sign a document stating that the student is withdrawing voluntarily and that the Charter School personnel have not prohibited, discouraged, or attempted to discourage the student from continued enrollment in the Charter School.
12. Charter School discipline policies and practices must be promulgated and implemented to avoid discriminatory and/or disproportionate punishments of students based on race, gender, or other characteristics and are consistent with federal school discipline laws and guidance.

Exhibit 4: Annenberg Standards

13. Charter School shall make its school discipline policy publicly available on the school's website, so that parents can thoroughly review the policy before enrolling their child. Charter School discipline policies should include explicit provisions regarding due process for students, including the right to a hearing before long-term removal, suspension, expulsion, disciplinary or safety transfers, or alternative school placements, as well as parental appeals and notification rights.
14. Charter school shall report annually on all disciplinary actions and withdrawals from the school, including the reason for the student's departure, suspension, or other action and the statement that documentation of due process rights was available. These data should be disaggregated by race/ethnicity, gender, age, grade level, free/reduced meal status, disability status, and English proficiency status.
15. Charter school shall make financial documents available to the public annually on the websites of the school, the authorizer, and any management company. These documents should include a comprehensive statement of revenues, financial and in-kind donations, state and local funding, New Market Tax Credits, bond issuances, and any and all additional funds or debt service connected to the operation of the school and/or network of schools.
16. Charter School shall report on administrative expenses as well as funds paid to the authorizer for authorizing and oversight services. Charter School shall also publish reports on expenses incurred for student recruitment and marketing.
17. Charter School shall document and publicly disclose the owners of any non-public property used to house the Charter School, along with documentation of the amount of rent being paid for the facility and to whom payments are being made and verification that there are no conflicts of interest between the Charter School and the holder of the property.
18. Charter school shall send for publication all vendor or service contracts over \$10,000 as public information on the MNPS website.
19. Governing board members, administrators, parents, students, educators, school staff, and community members are protected from retaliation for whistleblowing in accordance with federal and state law.

Exhibit 4: Annenberg Standards

1. Charter School shall report on their websites and in enrollment and marketing materials the full range of academic, enrichment, and extracurricular offerings that they provide.
2. Members Charter School governing board are required to file full financial disclosure reports and identify any potential conflicts of interest, relationships with management companies, or other business dealings with the school, its management company, or other charter schools. These documents should be available online through MNPS' website.
3. Governing board of Charter School is required to hold all meetings in the district in which their school or schools operate. All meetings are to be open to the public and publicized in advance in accordance with applicable state law.
4. Charter School shall provide online access to minutes from Charter School governing board meetings, the school's policies, information about staff, instructional strategies, curriculum, school rules and behavior codes, school budgets, and information about management companies or other large contracts.
5. Charter Schools and MNPS are subject to state laws regarding freedom of information, public records, and public meetings.
6. Complete contracts for management services are required to be electronically posted on the schools' website within ten days of execution. The posting should include detailed information about the services to be provided by the management company and all financial commitments and compensation, as well as all fees and bonuses to be provided to the management company.
7. Charter School shall make full public financial disclosure by charter management organizations of their expenditures and net revenues related to the operation of each school they serve.
8. Charter Schools is prohibited from allowing anyone with a financial relationship to a management organization or the staff of any authorizing agency from serving on the governing board of the Charter School.
9. Charter School is prohibited from utilizing enrollment and registration procedures that directly or indirectly exclude or discourage certain students from enrolling at the school. Certain schools, such as academic magnets and performing arts schools, shall be exempted.
10. Charter School shall make available public documentation and reporting of student attrition throughout the school year, including date, reason, and disposition (where the student ends up). This should include all disciplinary actions, including both in- and out-of-school suspensions and referrals to law enforcement, and "voluntary" and "involuntary" exits. It should be disaggregated by race/ethnicity, gender, age, grade level, free/reduced meal status, disability status, and English proficiency status.
11. Before any student withdraws from Charter School, the student, his or her parent or guardian, and Charter School personnel shall sign a document stating that the student is withdrawing voluntarily and that the Charter School personnel have not prohibited, discouraged, or attempted to discourage the student from continued enrollment in the Charter School.
12. Charter School discipline policies and practices must be promulgated and implemented to avoid discriminatory and/or disproportionate punishments of students based on race, gender, or other characteristics and are consistent with federal school discipline laws and guidance.

Exhibit 4: Annenberg Standards

13. Charter School shall make its school discipline policy publicly available on the school's website, so that parents can thoroughly review the policy before enrolling their child. Charter School discipline policies should include explicit provisions regarding due process for students, including the right to a hearing before long-term removal, suspension, expulsion, disciplinary or safety transfers, or alternative school placements, as well as parental appeals and notification rights.
14. Charter school shall report annually on all disciplinary actions and withdrawals from the school, including the reason for the student's departure, suspension, or other action and the statement that documentation of due process rights was available. These data should be disaggregated by race/ethnicity, gender, age, grade level, free/reduced meal status, disability status, and English proficiency status.
15. Charter school shall make financial documents available to the public annually on the websites of the school, the authorizer, and any management company. These documents should include a comprehensive statement of revenues, financial and in-kind donations, state and local funding, New Market Tax Credits, bond issuances, and any and all additional funds or debt service connected to the operation of the school and/or network of schools.
16. Charter School shall report on administrative expenses as well as funds paid to the authorizer for authorizing and oversight services. Charter School shall also publish reports on expenses incurred for student recruitment and marketing.
17. Charter School shall document and publicly disclose the owners of any non-public property used to house the Charter School, along with documentation of the amount of rent being paid for the facility and to whom payments are being made and verification that there are no conflicts of interest between the Charter School and the holder of the property.
18. Charter school shall send for publication all vendor or service contracts over \$10,000 as public information on the MNPS website.
19. Governing board members, administrators, parents, students, educators, school staff, and community members are protected from retaliation for whistleblowing in accordance with federal and state law.



**The Cincinnati Insurance Company
The Cincinnati Casualty Company
The Cincinnati Indemnity Company**

Policy Number: ETD 053 03 98

Effective Date: 07-01-2022

Named Insured: INTREPID COLLEGE PREPARATORY DBA INDEPENDENCE ACADEMY HIGH SCHOOL

For professional advice and policy questions or changes, please contact your local independent agency:

MARTIN & ZERFOSS, INC.
6730 CHARLOTTE PIKE
NASHVILLE, TN 37209-4204

615-297-8500

Dear Policyholder:

Thank you

Thank you for trusting The Cincinnati Insurance Companies with your commercial insurance coverage. We recognize that locally based independent agents have the working knowledge to help you choose the right insurance company for your needs. Together with your local independent insurance agency, we are committed to providing you with the highest level of service.

Please review your enclosed policy information to verify your coverage details, as well as deductibles and coverage amounts. Should your needs change, your agent is available to review and update your policy.

Please promptly report claims

If you experience a policy-related loss, you may report it by contacting your local professional independent agency representing The Cincinnati Insurance Companies or by directly calling us toll-free at **877-242-2544** and providing your policy number and claim-related information.

Sincerely,



Sean M. Givler
Senior Vice President - Commercial Lines

The Cincinnati Insurance Companies

Business Insurance

CINCINNATI NETWORK DEFENDER™

Cyber Risk Coverage for Computer Systems



Protecting your business

Businesses of all sizes depend on computer systems and the proprietary data stored on them to keep operations running smoothly. A computer attack may disrupt your operations, potentially threatening your business relationships, causing lost income and increasing your costs.

To protect your business, consider adequate security for your computer systems and adding Cincinnati Network Defender coverage to your commercial or management liability policy. This insurance provides two important types of cyber risk protection: computer attack coverage and network security and electronic media liability coverage.

Responding after a computer attack

Computer attack coverage helps your business recover after a cyberattack and pays for:

- data restoration services to help you replace lost or corrupted data from electronic sources
- data re-creation services to research, re-create and replace lost or corrupted data from non-electronic sources
- system restoration services to replace or reinstall software, remove malicious code and correct the configuration in order to restore your computer system to its pre-attack level of functionality
- cyber extortion expenses you incur to retain an investigator due to an extortion threat against your systems or data, including ransomware, and amounts paid in response to the extortion threat within the limit of insurance
- business income you lose and extra expenses you incur while your system and data recovery activities take place
- public relations services to assist with communications about the computer attack and your response

Covering your network security and electronic media liability

Network security and electronic media liability coverage pays for defense and settlement costs due to claims brought against you by third parties for alleged damage from a security failure in your computer system that leads to:

- breach of third-party business data
- unplanned forwarding or replication of malware
- unintentional support of a denial of service attack

For information, coverage availability in your state, quotes or policy service, please contact your local independent agent recommending coverage.



Everything Insurance Should Be®

It also pays for defense and settlement costs due to claims brought against you by third parties for alleged damages from your electronic communications that result in:

- defamation
- violation of a person's right of privacy
- interference with a person's right of publicity
- infringement of copyright or trademark

To round out your cyber risk insurance, you can also add Cincinnati Data Defender™ insurance that helps you respond to and recover from a data breach or the theft of personally identifiable information.

Businesses of all sizes face potential loss from using technology

No matter what size business you operate, you experience the same vulnerability to cyberattacks and network security liability claims as the biggest enterprises. Your daily operations are vulnerable to the types of attacks described in these hypothetical claims examples:

- *A customer claimed that a company sent him a damaging virus, and it cost \$30,000 in legal fees to get it resolved.**
- *A disgruntled former employee hacked the employer's computer system, which resulted in a \$25,000 IT bill to repair the damage.**
- *The costs of defending a network security lawsuit quickly added up to more than \$40,000.**
- *A nasty virus got into a customer's computer system, and it cost a fortune in out-of-pocket expenses and downtime before the system was restored.**

* These examples are provided for educational purposes only, and are not intended to illustrate the value of any claim or any particular type of claim. Every claim is adjusted according to its own specific set of facts.

Policyholder tools and resources

Your Network Defender coverage includes access for no additional charge to www.eriskhub.com/cic, a portal that provides you with news, information and resources you can use to help mitigate a hacking event, virus infection or other cyberattack. The eRiskHub also contains an optional section that offers My Tech Support, a technical support service you can subscribe to for a nominal fee for assistance troubleshooting, diagnosing and fixing common computer problems, including finding and removing viruses.

Choosing coverage from the right people

Cincinnati's commitment to you is simple. We deliver service from people who know you, your business and your community – your local independent insurance agent and our experienced team of insurance professionals. You can count on your agent and Cincinnati Insurance to be there, giving you the peace of mind you deserve. Talk to your local independent agent representing Cincinnati Insurance about adding these valuable coverages to protect you and the modern technology used to keep your business running smoothly.

Thank you for trusting your agent and Cincinnati to protect your business.



Everything Insurance Should Be®

For information, coverage availability in your state, quotes or policy service, please contact your local independent agent recommending coverage. This is not a policy. For a complete statement of the coverages and exclusions, please see the policy contract. "The Cincinnati Insurance Companies", "Cincinnati Insurance" and "Cincinnati" refer to member companies of the insurer group providing property and casualty coverages through The Cincinnati Insurance Company or one of its wholly owned subsidiaries – The Cincinnati Indemnity Company or The Cincinnati Casualty Company. Each insurer has sole financial responsibility for its own products. Not all subsidiaries operate in all states. Do not reproduce or post online, in whole or in part, without written permission. © 2020 The Cincinnati Insurance Company. 6200 S. Gilmore Road, Fairfield, OH 45014-5141.

NOTICE TO POLICYHOLDERS

DIRECT BILL ACCOUNT CREDIT PROCEDURE

This is a notice of how an account credit will be applied to your policy or to all of the policies being billed as single account.

Account Credits

- A.** If your account is comprised of **a single policy** and an endorsement or premium audit results in a credit (return premium), the credit is applied to that policy. If your account does not have a future installment due at the time the endorsement or audit is processed, the credit is refunded to the payor listed for your account. If you do not wish for credits to be automatically applied to future unpaid installments, please contact us to request a refund. Please note that the amount of the refund may vary based upon the date you contact us and your billing schedule.
- B.** If your account is comprised of **more than one policy** and an endorsement or premium audit results in a credit (return premium), the credit is applied in the following manner:
- Payments previously applied to your account are deferred.
 - The credit that results from the endorsement or audit is applied to the policy generating the credit.
 - The payments that were deferred are then reapplied to the account in order to satisfy the amount due.
 - Any excess payment that results from the credit is applied proportionately to your policies with a future payment or installment due.
 - If you do not wish for credits to be automatically applied to future unpaid installments, please contact us to request a refund. Please note that the amount of the refund may vary based upon the date you contact us and your billing schedule.
 - If your account does not have a future installment or payment due at the time the endorsement or audit is processed, the credit is refunded to the payor listed for your account.

(Does not apply to audit return premium for payors located in New York; Does not apply to premiums due more than 30 days from the date of processing for payors located in New Hampshire. These credits are automatically refunded to the payor)

To request a refund, contact us at:

Mailing Address

The Cincinnati Insurance Company
PO Box 14529
Cincinnati, OH 45250-0529

Toll free phone number

877-942-2455

Electronic mail

CinciBill@cinfin.com



The Cincinnati Insurance Company

A Stock Insurance Company

Headquarters: 6200 S. Gilmore Road, Fairfield, OH 45014-5141

Mailing address: P.O. Box 145496, Cincinnati, OH 45250-5496

www.cinfin.com ■ 513-870-2000

EDUCATIONAL INSTITUTIONS COMMON POLICY DECLARATIONS

Billing Method: **DIRECT BILL EFT**

POLICY NUMBER ETD 053 03 98 / ETA 053 03 98

NAMED INSURED INTREPID COLLEGE PREPARATORY DBA INDEPENDENCE ACADEMY HIGH SCHOOL
REFER TO IA905
ADDRESS 5432 BELL FORGE LN E
(Number & Street, ANTIOCH, TN 37013
Town, County,
State & Zip Code)

Previous Policy Number:

ETD0530398

Policy Period: At 12:01 A.M., STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

All coverages except Automobile and / or Garage

Policy number: ETD 053 03 98 FROM: 07-01-2022 TO: 07-01-2025

Automobile and / or Garage

Policy number: ETA 053 03 98 FROM: 07-01-2022 TO: 07-01-2023

Agency MARTIN & ZERFOSS, INC. 41-097

City NASHVILLE, TN

Legal Entity / Business Description

ORGANIZATION (ANY OTHER)

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

FORMS APPLICABLE TO ALL COVERAGE PARTS:

IL0017	11/98	COMMON POLICY CONDITIONS
IA102A	09/08	SUMMARY OF PREMIUMS CHARGED
IA904	04/04	SCHEDULE OF LOCATIONS
IA905	02/98	NAMED INSURED SCHEDULE
IA4236	06/20	POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE
IA4521	03/20	NOTICE OF PRIVACY PRACTICES
IP404TN	06/94	IMPORTANT INFORMATION TO POLICYHOLDERS TENNESSEE
IP446	08/01	NOTICE TO POLICYHOLDERS
IA4006	07/10	SPECIAL PER OCCURRENCE DEDUCTIBLE ENDORSEMENT
IA4109TN	06/16	TENNESSEE CHANGES - CANCELLATION AND NONRENEWAL
IA4238	01/15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IA4338	05/11	SIGNATURE ENDORSEMENT
IA4505	05/19	NOTICE TO POLICYHOLDERS EXCLUSION - NEURODEGENERATIVE INJURY

IA4519	12/19	NOTICE TO POLICYHOLDERS ATHLETIC OR SPORTS PARTICIPANTS EXCLUSIONS/LIMITATIONS
IA4525	03/21	NOTICE TO POLICYHOLDERS EXCLUSION - COMMUNICABLE DISEASE
FM502	07/08	COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
GA532	07/08	COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS
CA532	10/13	EDUCATIONAL INSTITUTIONS CRIME COVERAGE PART DECLARATIONS
AA505	03/06	BUSINESS AUTO COVERAGE PART DECLARATIONS
USC513	05/10	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS
HC502	01/18	CINCINNATI DATA DEFENDER™ COVERAGE PART DECLARATIONS
HC503	01/18	CINCINNATI NETWORK DEFENDER™ COVERAGE PART DECLARATIONS

Countersigned _____ By _____
(Date) (Authorized Representative)

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.

Named Insured: INTREPID COLLEGE PREPARATORY DBA INDEPENDENCE ACADEMY HIGH SCHOOL

IA 102 A 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF LOCATIONS

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
1	5432 BELL FORGE LN E ANTIOCH, TN 37013-2322			
2	5221 HICKORY HOLLOW PKWY ANTIOCH, TN 37013-3003			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED INSURED SCHEDULE

This Schedule supplements the Declarations.

SCHEDULE

Named Insured:

**INTREPID COLLEGE PREPARATORY DBA
INDEPENDENCE ACADEMY HIGH SCHOOL
OPPORTUNITY ACADEMY**

POLICYHOLDER NOTICE

TERRORISM INSURANCE COVERAGE

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.

Your policy contains coverage for certain losses caused by terrorism.

Premium:

In accordance with the federal Terrorism Risk Insurance Act, we are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act.

- Refer to the SUMMARY OF PREMIUMS CHARGED or DECLARATIONS PAGE for the portion of your premium that is attributable to coverage for terrorist acts certified under the Act.

Federal Participation:

The Act also requires us to provide disclosure of federal participation in payment of terrorism losses.

- Under your policy, any losses caused by certified acts of terrorism would be partially reimbursed by the United States Government, Department of Treasury, under a formula established by federal law. Under this formula, the federal share equals a percentage, as specified in the Schedule below, 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.
- Schedule:

Federal Share of Terrorism Losses		Federal Share of Terrorism Losses	
Percentage	Calendar Year	Percentage	Calendar Year
85%	2015	80%	2022
84%	2016	80%	2023
83%	2017	80%	2024
82%	2018	80%	2025
81%	2019	80%	2026
80%	2020	80%	2027
80%	2021		

Cap on Insurer Participation:

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.

NOTE: IF YOUR POLICY IS A RENEWAL POLICY, THIS NOTICE IS PROVIDED TO SATISFY THE REQUIREMENTS UNDER THE TERRORISM RISK INSURANCE ACT FOR POLICYHOLDER DISCLOSURE: (1) AT THE TIME OF OUR OFFER TO RENEW THE POLICY AND (2) AT THE TIME THE RENEWAL IS COMPLETED.

NOTICE OF PRIVACY PRACTICES

For additional information on our privacy policies, including state specific information, please visit <https://www.cinfin.com/privacy-policy>.

IMPORTANT INFORMATION TO POLICYHOLDERS TENNESSEE

In the event you need to contact someone about this policy for any reason please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address and telephone number.

The Cincinnati Insurance Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

The Cincinnati Life Insurance Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

The Cincinnati Casualty Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

The Cincinnati Indemnity Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

**THE CINCINNATI INSURANCE COMPANY
THE CINCINNATI CASUALTY COMPANY
THE CINCINNATI INDEMNITY COMPANY**

NOTICE TO POLICYHOLDERS

Please be advised that in your application for insurance you disclosed information to The Cincinnati Insurance Company, The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The information disclosed in the application and all information subsequently collected by any of these companies may be shared among all three.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PER OCCURRENCE DEDUCTIBLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART**

A. Special Per Occurrence Deductible

1. If an "occurrence" happens to Covered Property under the Commercial Property Coverage Part and to Covered Property under at least one of the following:

- a. The Commercial Inland Marine Coverage Part, and
- b. The Crime and Fidelity Coverage Part;

the most we will deduct from any loss or damage in any one "occurrence" is the deductible indicated on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

2. This endorsement does not apply to any of the forms listed in Paragraphs a. and b.:

- a. * **Electronic Data Processing Coverage Form, Section III, 2. Deductible, a.(2) Specified Losses Deductible**

* **Water Backup from Sewers, Drains, Septic Systems or Sump Pumps Endorsement**

Windstorm or Hail Percentage Deductible Form

Earthquake and Volcanic Eruption Endorsement

Earthquake and Volcanic Eruption Endorsement (Sub-Limit Form)

Flood Coverage Endorsement

Equipment Breakdown Coverage (Including Production Equipment)

Equipment Breakdown Coverage (Excluding Production Equipment)

* **Temperature Change Coverage Form**

Commercial Crime Coverage Form, A. Insuring Agreements, 1. Employee Theft, 2. Forgery or Alteration, 6. Computer Fraud and 7. Funds Transfer Fraud

Crime Expanded Coverage (XC®) Coverage or Expanded Coverage Plus Forms, A. Insuring Agreements, 1. Employee Theft and 2. Forgery or Alteration

Government Crime Coverage Form, A. Insuring Agreements, 1. Employee Theft - Per Loss Coverage, 2. Employee Theft - Per Employee Coverage, 3. Forgery or Alteration, 7. Computer Fraud and 8. Funds Transfer Fraud

- * Or such coverage as provided in the CinciPlus® Commercial Property or Commercial Property Power Expanded Coverage or Expanded Coverage Plus Forms

- b. ☐ **Other**

B. Definition

For the purpose of this endorsement only, any definition of "occurrence" is deleted in its entirety and the following definition is added to:

- 1. COMMERCIAL PROPERTY CONDITIONS,**
- 2. COMMERCIAL INLAND MARINE CONDITIONS,**
- 3. COMMERCIAL CRIME COVERAGE FORM,**
- 4. CRIME EXPANDED COVERAGE (XC[®]) COVERAGE FORM, and**
- 5. GOVERNMENT CRIME COVERAGE FORM:**

"Occurrence" means all loss, damage, or a sequence of loss or damage, casualties or disasters arising from a single happening or event.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

**CINCINNATI CYBER DEFENSE™ COVERAGE PART
CINCINNATI DATA DEFENDER™ COVERAGE PART
CINCINNATI NETWORK DEFENDER™ COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
CONTRACTORS' ERRORS AND OMISSIONS COVERAGE PART
CONTRACTORS' LIMITED POLLUTION LIABILITY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYEE BENEFIT LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART
EXCESS LIABILITY COVERAGE PART
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART
FARM COVERAGE PART
GOLF COURSE CHEMICAL APPLICATION LIMITED LIABILITY COVERAGE PART
HOLE-IN-ONE COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MACHINERY AND EQUIPMENT COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY**

A. Paragraph 5. of the Cancellation Common Policy Condition is replaced by the following:

- 5.** If this policy is cancelled, we will send the first Named Insured any premium refund due.

The refund will be pro rata if:

- a.** We cancel; or
- b.** The policy is cancelled at the request of a premium finance company that has financed this policy under a premium finance agreement.

The refund may be less than pro rata if the first Named Insured cancels the policy.

The cancellation will be effective even if we have not made or offered a refund.

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

CANCELLATION OF POLICIES IN EFFECT FOR 60 DAYS OR MORE

If this policy has been in effect for 60 days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- 1.** Nonpayment of premium, including any additional premium, calculated in accordance with our current rating manual, justified by a physical change in the insured property or a change in its occupancy or use;
- 2.** Your conviction of a crime increasing any hazard insured against;
- 3.** Discovery of fraud or material misrepresentation on the part of either of the following:
 - a.** You or your representative in obtaining this insurance; or
 - b.** You in pursuing a claim under this policy;

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Includes copyrighted material of ISO Commercial Risk Services, Inc., with its permission.

4. Failure to comply with written loss control recommendations;
5. Material change in the risk which increases the risk of loss after we issued or renewed insurance coverage;
6. Determination by the insurance commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of Tennessee or any other state;
7. Your violation or breach of any policy terms or conditions; or
8. Other reasons that are approved by the insurance commissioner.

Notice of cancellation will state the reason for cancellation.

- C. The following is added and supersedes any provisions to the contrary.

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured shown in the Declarations and to the agent, at least 60 days before:

- a. The expiration date of this policy; or
- b. The anniversary date of this policy, if the policy is written for a term of more than one year;

unless:

- a. We have offered to issue a renewal policy; or
- b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following is added to the **Premiums** Common Policy Condition:

Whenever an insurance policy which is financed with a premium finance company is cancelled, the insurer shall return, within 30 days after the effective date of the cancellation, whatever gross unearned premiums are due under the insurance policy directly to the premium finance company for the account of the first Named 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:

All Commercial Lines Coverage Parts, Coverage Forms, Policies and Endorsements subject to the federal Terrorism Risk Insurance Act and any amendments and extensions thereto

- A.** The following definition is added with respect to the provisions of this endorsement:

"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 the federal Terrorism Risk Insurance 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.

- B. Cap On Losses from Certified Acts of Terrorism**

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 ex-

ceeds \$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.

- C. Application of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability, omission or absence of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Form, Policy or Endorsement such as losses excluded by:

1. Exclusions that address war, warlike action, insurrection, rebellion, revolution, military action, nuclear hazard, nuclear materials, nuclear reaction, radiation, or radioactive contamination;
2. Exclusions that address pollutants, contamination, deterioration, fungi or bacteria; or
3. Any other exclusion,

regardless if the "certified act of terrorism" contributes concurrently or in any sequence to the loss.

- D. Sunset Clause**

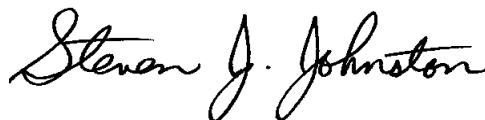
If the federal Terrorism Risk Insurance Act expires or is repealed, then this endorsement is null and void for any act of terrorism that takes place after the expiration or repeal of the Act.

SIGNATURE ENDORSEMENT

IN WITNESS WHEREOF, this policy has been signed by our President and Secretary in the City of Fairfield, Ohio, but this policy shall not be binding upon us unless countersigned by an authorized representative of ours. The failure to countersign does not void coverage in Arizona, Virginia and Wisconsin.



Secretary



President

The signature on any form, endorsement, policy, declarations, jacket or application other than the signature of the President or Secretary named above is deleted and replaced by the above signatures.

NOTICE TO POLICYHOLDERS

EXCLUSION - NEURODEGENERATIVE INJURY

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice is applicable to the following coverage parts:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE
EXCESS LIABILITY COVERAGE PART
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART

Restriction of Coverage

An exclusion for neurodegenerative injury has been added to your policy. This exclusion applies to a neurodegenerative injury to a participant resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

NOTICE TO POLICYHOLDERS ATHLETIC OR SPORTS PARTICIPANTS EXCLUSIONS/LIMITATIONS

This is a notice of change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice is applicable to the following coverage parts:

COMMERCIAL GENERAL LIABILITY COVERAGE PART COMMERCIAL UMBRELLA LIABILITY COVERAGE PART PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART

CG 22 71 Colleges or Schools (Limited Form)
CG 22 72 Colleges or Schools
GA 351 Exclusion - Athletic or Sports Participants
US 359 Colleges or Schools Limitation
US 361 Athletic or Sports Participants Limitation

The endorsements have been revised to amend the language to 'arising out of practicing or participating in' to reinforce that injuries can be revealed at a time later than the related practice or participation. Additionally, the endorsements have been revised to expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured. These changes are a reinforcement of original coverage intent.

GA 3060 Exclusion - Athletic or Sports Participants - All Contests or Exhibitions
US 4139 Athletic or Sports Participants Limitation - All Contents or Exhibitions

When used as a replacement for the **GA 351/US 361** or newly attached to a policy, these endorsements may result in a restriction in coverage with respect to events the insured does not sponsor.

NOTICE TO POLICYHOLDERS EXCLUSION - COMMUNICABLE DISEASE

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice is applicable to the following coverage parts:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE
EXCESS LIABILITY COVERAGE PART
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART**

When a **COMMUNICABLE DISEASE EXCLUSION** endorsement is attached to one or more coverage parts of your policy, coverage is excluded for liability arising out of the actual or alleged transmission of a communicable disease. The attachment of the endorsement may result in a reduction of coverage.

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONSAttached to and forming part of POLICY NUMBER: **ETD 053 03 98**

Named Insured is the same as it appears on the Common Policy Declarations unless otherwise stated here.

Loc. (address)
REFER TO IA904

COVERAGE PROVIDED					OPTIONAL COVERAGES Applicable only when an entry is made						
Item	Coverage	Limits	Coin- surance	Covered Cause Of Loss	Business Income Indemnity						
					Inflation Guard (%)	Replace- ment Cost (x)	Replace- ment Cost Ind. Stock (x)	Agreed Value (x)	Monthly Limit (fraction)	Maximum Period (X)	Extended Period (Days)
1	EQUIPMENT BREAKDOWN										
1-1	BUSINESS PERSONAL PROPERTY	167,544	90%	SPECIAL		X					
1-1	BUSINESS INCOME W/EXTRA EXPENSE (b)	12 MONTHS ALS SEE FA242		SPECIAL							
1-2	BUILDING	29,032	90%	SPECIAL		X					
1-3	BUILDING	29,032	90%	SPECIAL		X					
1-4	BUILDING	29,032	90%	SPECIAL		X					
1-5	AWNINGS OR CANOPIES	16,110	90%	SPECIAL		X					
1-6	BUILDING	29,032	90%	SPECIAL		X					
1-6	BUSINESS PERSONAL PROPERTY	11,169	90%	SPECIAL		X					
2	EQUIPMENT BREAKDOWN										
2-1	BUSINESS PERSONAL PROPERTY INCLUDING IMPROVEMENTS AND BETTERMENTS	268,070	90%	SPECIAL		X					
2-1	BUSINESS INCOME W/EXTRA EXPENSE (b)	12 MONTHS ALS SEE FA242		SPECIAL							

DEDUCTIBLE: \$500.00 unless otherwise stated \$ 1,000

MORTGAGE HOLDER

Item Name and Address

FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

FM101	05/16	BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)
FA4190	04/21	NOTICE TO POLICYHOLDERS OF REDUCTION IN COVERAGE CYBER INCIDENT
FA242	10/12	ACTUAL LOSS SUSTAINED BUSINESS INCOME ENDORSEMENT
FA282	05/16	EDUCATIONAL INSTITUTIONS COMMERCIAL PROPERTY ENDORSEMENT
FA283	05/16	CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT
FA286	05/16	THE BRIDGE ENDORSEMENT
FA319	04/21	AMENDMENT OF COVERAGE - CYBER INCIDENT EXCLUSION
FA450	05/16	COMMERCIAL PROPERTY CONDITIONS
FA480	02/16	LOSS PAYABLE PROVISIONS
FA245	04/20	EQUIPMENT BREAKDOWN COVERAGE
FA213	05/16	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

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BUILDING AND PERSONAL PROPERTY COVERAGE FORM

(INCLUDING SPECIAL CAUSES OF LOSS)

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 G. DEFINITIONS.**

SECTION A. COVERAGE

We will pay for direct "loss" to Covered Property at the "premises" caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the following types of property for which a Limit of Insurance is shown in the Declarations:

a. Building

Building, means the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery and equipment;
 - (b) Building glass, including any lettering and ornamentation;
 - (c) Signs attached to a building or structure that is Covered Property;
 - (d) Awnings and canopies;
- (4) Personal property owned by you that is used to maintain or service a covered building 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 a covered building;

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the "premises", used for making additions, alterations or repairs to a covered building.

b. Outdoor Signs

Your outdoor signs permanently installed and not attached to a covered building, and located within 1,000 feet of the "premises".

c. Outdoor Fences

Your outdoor fences.

d. Business Personal Property

Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater. Your Business Personal Property consists of the following unless otherwise specified in the Declarations or on the **BUSINESS PERSONAL PROPERTY - SEPARATION OF COVERAGE ENDORSEMENT.**

- (1) Furniture;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) The cost of 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 used in your business for which you have a contractual responsibility to insure. Such leased property is not considered personal property of others in your care, custody or control;

(8) Personal Property of Others that is in your care, custody or control or for which you are legally liable.

(a) This does not include personal effects owned by you, your officers, your partners, or if you are a limited liability company, your members or your managers, or your employees (including leased and temporary workers), except as provided in **5. Coverage Extensions, I. Personal Effects**;

(b) This does not include property of others for which you are legally liable as:

- 1) A carrier for hire; or
- 2) An arranger of transportation, including car loaders, consolidators, brokers, freight forwarders, or shipping associations; and

(9) Sales samples.

2. **Property Not Covered**

Covered Property does not include:

a. **Accounts, Deeds, Money or Securities**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities";

b. **Animals**

Animals, unless

- (1) Owned by others and boarded by you; or
- (2) Owned by you and covered as "stock" while inside of buildings;

and then only as provided in **3. Covered Causes of Loss, c. Limitations**.

c. **Automobiles**

Automobiles held for sale;

d. **Contraband**

Contraband, or property in the course of illegal transportation or trade;

e. **Electronic Data**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, "Electronic data". This Paragraph **e.** 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, ventilation, air conditioning or security system.

f. **Excavations, Grading & Backfilling**

The cost of excavations, grading, backfilling or filling;

g. **Foundations**

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.

h. **Land, Water or Growing Crops**

Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetative roof);

i. **Paved Surfaces**

Bridges, roadways, walks, patios or other paved surfaces;

j. **Property While Airborne or Waterborne**

Personal property while airborne or waterborne;

k. **Pilings or Piers**

Pilings, piers, bulkheads, wharves or docks;

l. **Property More Specifically Insured**

Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except as provided in **G. Other Insurance** of the **COMMERCIAL PROPERTY CONDITIONS**;

m. **Retaining Walls**

Retaining walls that are not part of any building described in the Declarations;

n. **Underground Pipes, Flues or Drains**

Underground pipes, flues or drains;

o. Valuable Papers & Records and Cost to Research

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the cost to research, replace or restore the information on "valuable papers and records", including those which exist as "electronic data".

This does not apply to "valuable papers and records" held for sale by you.

p. Vehicles or Self-Propelled Machines

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 "premises".

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (2) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (3) Rowboats or canoes out of water and located at the "premises"; or
- (4) Trailers, but only as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**.

q. Property While Outside of Buildings

The following property while outside of buildings (except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**):

- (1) Grain, hay, straw or other crops;
- (2) Signs, except:
 - (a) Signs attached to a covered building or structure;
 - (b) Signs for which a Limit of Insurance is shown in the Declarations.
- (3) Outdoor fences, except outdoor fences for which a Limit of Insurance is shown in the Declarations;
- (4) Radio antennas, television antennas or satellite dishes; including their lead-in wiring, masts, and towers; and

- (5) Trees, shrubs or plants (other than trees, shrubs or plants that are "stock" or part of a vegetative roof).

3. Covered Causes of Loss

a. Covered Causes of Loss

Covered Causes of Loss means direct "loss" unless the "loss" is excluded or limited in this Coverage Part.

b. Exclusions

- (1) We will not pay for "loss" caused directly or indirectly by any of the following, unless otherwise provided. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(a) Ordinance or Law

Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the enforcement of or compliance with any ordinance or law:

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

This exclusion applies whether "loss" results from:

- 1) An ordinance or law that is enforced even if the building or structure has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of any building or structure, or removal of its debris, following a direct "loss" to that building or structure.

(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" 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" caused by that fire, building glass breakage or volcanic action.

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

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

With respect to coverage for Volcanic Action, 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 "loss" to the described property.

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

(d) Nuclear Hazard

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

(e) Utility Services

- 1) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services**, the failure of power, communication, water or other utility services supplied to the "premises", however caused, if the failure:

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

Failure of any utility service includes lack of sufficient capacity and reduction in supply. "Loss" caused by a surge of power is also excluded if the surge would not have occurred but for an event causing the failure of power.

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

Communication services include but are not limited to

service relating to Internet access or access to any electronic, cellular or satellite network.

(f) War and Military Action

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

(g) Water

- 1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
 - a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
 - b) Waves, tidal waters, tidal waves (including tsunami); or
 - c) Water from rivers, ponds, lakes, streams, or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary;

and all whether driven by wind or not, including storm surge.
- 2) Mudslides or mudflows, which are caused by flooding as defined above in Paragraph (g)1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current;

- 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; 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.
- 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

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 is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

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

(h) "Fungi", Wet Rot, Dry Rot, and Bacteria

- 1) Presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria. But if "fungi", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

2) This exclusion does not apply:

- a) When "fungi", wet or dry rot or bacteria results from fire or lightning; or**
- b) To the extent that coverage is provided in **SECTION A. COVERAGE, 5. Coverage Extensions, g. "Fungi", Wet Rot, Dry Rot and Bacteria - Limited Coverage** with respect to "loss" from 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" caused by or resulting from any of the following:

(a) Electrical Current

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:

- 1) Electrical current, including arcing;**
- 2) Electrical charge produced or conducted by a magnetic or electromagnetic field;**
- 3) Pulse of electromagnetic energy; or**
- 4) Electromagnetic waves or microwaves.**

However, if fire results, we will pay for "loss" caused by that fire.

(b) Delay or Loss of Use

Delay, loss of use or loss of market.

(c) Smoke, Vapor, Gas

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

(d) Miscellaneous Causes of Loss

- 1) Wear and tear;**
- 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;**
- 3) Smog;**
- 4) Settling, cracking, shrinking or expansion;**
- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;**
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for that portion of "loss" caused by that elevator collision; or**
- 7) The following causes of loss to personal property:**
 - a) Marring or scratching;**
 - b) Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, a. Change in Temperature or Humidity** and **5. Coverage Extensions, q. Utility Services;****
 - i) Dampness or dryness of atmosphere; and**
 - ii) Changes in or extremes of temperature.**

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

(e) Explosion of Steam Apparatus

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for that portion of "loss" caused by that fire or combustion explosion. We will also pay for "loss" 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) Water Seepage

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) Freezing of Plumbing

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protection systems) caused by or resulting from freezing, unless:

- 1) You did your best to maintain heat in the building or structure; or
- 2) You drained the equipment and shut off the supply if the heat was not maintained.

(h) Dishonest or Criminal Acts

Dishonest or criminal acts (including theft) by you, any of your partners, members (if a limited liability company), officers, managers, employees (including leased workers or temporary employees) directors, trustees, or authorized representatives; whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during the hours of operation.

This **Dishonest or Criminal Acts** exclusion does not apply to acts of destruction by your employees (including leased workers or temporary employees) or by authorized representatives; except theft by employees (including leased workers or temporary employees) is not covered.

(i) Voluntary Parting Under False Pretense

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

(j) Exposure to Weather

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

(k) Collapse

Collapse, including any of the following conditions of property or any part of the property:

- 1) An abrupt falling down or caving in;
- 2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- 3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to Paragraph **(k)1)** or **2)** above.

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

This exclusion **Collapse** does not apply:

- 1) To the extent that coverage is provided under the **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse**; or
- 2) To collapse caused by one or more of the following:

- a) The "specified causes of loss";
- b) Breakage of building glass;
- c) Weight of rain that collects on a roof; or
- d) Weight of people or personal property.

(l) Pollutants

Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

This exclusion does not apply to "loss" to glass caused by chemicals applied to the glass.

m) Loss or Damage to Product

We will not pay for "loss" to Covered Property consisting of 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 "loss" caused by that Covered Cause of Loss.

(n) Neglect

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

- (3)** We will not pay for "loss" caused by or resulting from any of the following in Paragraphs **(3)(a)** through **(3)(c)**. However, if an excluded cause of loss that is listed in Paragraphs **(3)(a)** through **(3)(c)** results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss:

(a) Weather Conditions

Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a)** through **(1)(h)** to produce the "loss".

(b) Acts or Decisions

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

(c) Defects, Errors, and Omissions

- 1)** An act, error, or omission (negligent or not) relating to:

- a) Land use;
- b) Design, specifications, construction, workmanship;
- c) Planning, zoning, development, surveying, siting, grading, compaction; or
- d) Maintenance, installation, renovation, repair, or remodeling

of part or all of any property on or off the "premises";

- 2)** A defect, weakness, inadequacy, fault, or unsoundness in materials used in construction or repair of part or all of any property on or off the "premises"; or
- 3)** The cost to make good any error in design.

(4) Special Exclusions

The Special Exclusions apply only to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**; and if attached to this policy, the following coverage forms: **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, and EXTRA EXPENSE COVERAGE FORM.**

We will not pay for:

- (a)** Any "loss" caused by or resulting from:

- 1) Damage or destruction of "finished stock"; or
- 2) The time required to reproduce "finished stock".

This Exclusion **(4)(a)** does not apply to Extra Expense.

- (b)** Any "loss" caused by or resulting from damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

- (c)** Any increase of "loss" caused by or resulting from:

- 1) 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
- 2) Suspension, lapse or cancellation of any license, lease or contract. However, 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.

- (d)** Any Extra Expense caused by or resulting from suspension, lapse

or cancellation of any license, lease or contract beyond the "period of restoration".

- (e)** Any other indirect "loss".

c. Limitations

The following limitations apply to all policy forms and endorsements shown on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, unless otherwise stated:

(1) Limitations - Various Types of Property

We will not pay for "loss" to property as described and limited in this section. In addition, we will not pay for any "loss" that is a consequence of "loss" as described and limited in this section.

(a) Steam Apparatus

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" 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

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) Building Interiors

The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

- 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
- 2) The "loss" is caused by or results from thawing of

snow, sleet or ice on the building or structure.

(d) Theft of Building Materials

Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- 1) Building materials and supplies held for sale by you; or
- 2) "Business Income" coverage or Extra Expense coverage.

(e) Missing Property

Property that is missing, where the only evidence of the "loss" is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

(f) Transferred Property

Property that has been transferred to a person or to a place outside the "premises" on the basis of unauthorized instructions.

(g) Vegetative Roofs

Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

- 1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
- 2) Changes in or extremes of temperature;
- 3) Disease;
- 4) Frost or hail; or
- 5) Rain, snow, ice or sleet.

(2) Limitations - Various Property for Specified Causes

We will not pay for "loss" 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 deemed necessary.

- (b)** Contractors equipment, machinery and tools 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 "premises"; or
- 2) To Business Income coverage or to Extra Expense coverage.

(3) Limitation - Personal Property Theft

This Limitation does not apply to "Business Income" coverage or to Extra Expense coverage. For each category described in Paragraph **c.(3)(a)** through **(3)(d)** below, the most we will pay for "loss" in any one occurrence of theft to all property in that category, regardless of the types or number of articles for that category that are lost or damaged in that occurrence, are the following special limits:

- (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 limitation does not apply to jewelry and watches worth \$100 or less per item.
- (c)** \$2,500 for Patterns, dies, molds and forms.
- (d)** \$250 for Stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are not additional Limits of Insurance.

(4) Limitation - System or Appliance Defects

- (a)** 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; and
- (b)** We will not pay to replace the substance that escapes as described in Paragraph **c.(4)(a)** above.

But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage results in discharge of any substance from an automatic fire protection system, or is directly caused by freezing.

However, this Limitation **c.(4)(a)** does not apply to "Business Income" Coverage or to Extra Expense Coverage.

4. **Additional Coverages**

Unless stated otherwise, **SECTION C. DEDUCTIBLE** does not apply to Paragraph 4. **Additional Coverages**.

Unless stated otherwise, these Paragraph 4. **Additional Coverages** apply on a per location basis.

a. **Change in Temperature or Humidity**

We will pay for direct "loss" to your covered Business Personal Property caused by a change in temperature or humidity or contamination by refrigerant resulting from damage by a Covered Cause of Loss to equipment used for refrigerating, cooling, humidifying, dehumidifying, air conditioning, heating, generating or converting power (including their connections and supply or transmission lines and pipes) when located on the "premises".

This Coverage is included within the Limits of Insurance shown in the Declarations.

b. **Debris Removal**

(1) Subject to Paragraphs **b.(2), (3)** and **(4)** of this Additional Coverage, we will pay your expense to remove debris of Covered Property and other debris that is on the "premises", when such debris is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss".

(2) Debris Removal does not apply to costs to:

- (a) Extract "pollutants" from land or water;
- (b) Remove, restore or replace polluted land or water;
- (c) Remove debris of property of yours that is not insured under this Coverage Part, or property in your possession that is not Covered Property;

(d) Remove debris of property owned by or leased to the landlord of the building where your "premises" are located, unless you have a contractual responsibility to insure such property and it is insured under this Coverage Part;

(e) Remove any property that is Property Not Covered, including property addressed under **5. Coverage Extensions, k. Outdoor Property**.

(f) Remove property of others of a type that would not be Covered Property under this Coverage Part;

(g) Remove deposits of mud or earth from the grounds of the "premises".

(3) Subject to the exceptions in Paragraph **b.(4)** below, the following provisions apply:

(a) The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained "loss".

(b) Subject to Paragraph **b.(3)(a)**, 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 "loss" to the Covered Property that has sustained "loss".

(4) We will pay up to an additional \$10,000 for debris removal expense for each "premises", in any one occurrence of direct "loss" 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 "loss" exceeds the Limit of Insurance on the Covered Property that has sustained "loss".

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

Therefore, if Paragraph **b.(4)(a)** and/or **(4)(b)** apply, our total payment for direct

"loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained "loss", plus \$10,000.

(5) Examples

The following examples assume that there is no coinsurance penalty.

Example #1

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$50,000
Amount of "Loss" Payable (\$50,000 - \$500)	\$49,500
Debris Removal Expense	\$10,000
Debris Removal Expense Payable (\$10,000 is 20% of \$50,000)	\$10,000

The debris removal expense is less than 25% of the sum of the "loss" payable plus the deductible. The sum of the "loss" payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example #2

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$80,000
Amount of "Loss" Payable (\$80,000 - \$500)	\$79,500
Debris Removal Expense	\$30,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount	\$10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the "loss" payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the "loss" payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the "loss" payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal ex-

pense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

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 \$5,000 in any one occurrence for your liability, which is determined prior to the direct "loss", for fire department service charges:

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

Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

d. Fire Protection Equipment Recharge

- (1) We will pay for the expenses you incur to recharge your automatic fire suppression system or portable fire extinguishers when the equipment is discharged:
 - (a) To combat a covered fire to which this insurance applies;
 - (b) As a result of another covered Cause of Loss other than fire; or
 - (c) As a result of an accidental discharge.
- (2) We will not pay your expenses to recharge fire protection equipment as a result of a discharge during testing or installation.
- (3) If it is less expensive to do so, we will pay your costs to replace your automatic fire suppression system or portable fire extinguishers rather than recharge that equipment.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

e. Inventory or Appraisal

- (1) We will pay the necessary expenses you incur to prepare claim information as required by this Coverage Part. Expenses must result from:
 - (a) Taking inventories;
 - (b) Making appraisals; and

- (c) Preparing a statement of loss and other supporting exhibits.
- (2) We will not pay for any expenses:
 - (a) Incurred to prove that "loss" is covered;
 - (b) Incurred under **SECTION D. LOSS CONDITIONS, 2. Appraisal**;
 - (c) Incurred for examinations under oath;
 - (d) Billed by and payable to independent or public adjusters; or
 - (e) To prepare claims not covered by this Coverage Part.

The most we will pay for any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the shown in the Declarations.

f. Key and Lock Expense

- (1) If a key or master key is lost, stolen, or damaged, we will pay for:
 - (a) The actual expense of the new keys; and
 - (b) The adjustment of locks to accept new keys; or
 - (c) If required, new locks, including the expense of their installation;
 but only for locks at buildings or structures covered by this Coverage Part.
- (2) This Coverage does not apply to keys that were given to former employees.

The most we will pay in any one occurrence under this Additional Coverage is Limit of Insurance \$1,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

g. Ordinance or Law

- (1) If a covered building or structure sustains direct "loss" from a Covered Cause of Loss, resulting in the enforcement of or compliance with an ordinance or law that is in force at the time of "loss" and regulates the demolition, construction or repair of buildings or structures, or establishes zoning or land use requirements at the "premises", then subject to **SECTION D, LOSS CONDITIONS, 4. Loss Payment**, we will pay:

(a) Loss of Use of Undamaged Parts of Buildings

The costs you incur to rebuild at the same "premises" any undamaged portion of your building or structure caused by enforcement of or compliance with an ordinance or law requiring demolition of undamaged parts of the same building or structure. We will only pay the costs to satisfy the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

(b) Demolition Costs

The costs you incur to demolish and clear the site of undamaged parts of the same building or structure as a result of Paragraph **g.(1)(a)** above.

(c) Increased Costs of Construction

- 1) For buildings or structures to which **SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies, the increased costs to comply with the minimum standards of an ordinance or law to:
 - a) Repair or reconstruct damaged portions of that building or structure; and
 - b) Reconstruct or remodel undamaged portions of that building or structure whether or not demolition is required;

However, this increased cost of construction applies only if the building or structure is repaired, reconstructed or remodeled and is intended for occupancy similar to the building or structure it replaces, unless such occupancy is not permitted by zoning or land use ordinance or law.

- 2) For this Paragraph **g.(1)(c)** only, the increased costs to repair or reconstruct the following:

- a) The cost of excavations, grading, backfilling and filling;
- b) Foundation of the building;
- c) Pilings;
- d) Underground pipes, flues and drains.

The items listed in Paragraphs **g.2a)** through **g.2d)** above are deleted from **SECTION A. COVERAGE, 2. Property Not Covered;**

(2) We will not pay for:

- (a)** Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or
 - (b)** The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.
- (3)** We will not pay for "loss" due to any ordinance or law that:
- (a)** You were required to comply with before the "loss", even if the building or structure was undamaged; and
 - (b)** With which you failed to comply.
- (4)** The terms of this Additional Coverage apply separately to each building or structure covered by this Coverage Part.

The most we will pay under this Additional Coverage is \$10,000 per building. This is in addition to the Limit of Insurance shown in the Declarations for the building suffering "loss".

h. Pollutant Clean Up and Removal

We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage,

migration, release, escape or emission of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". 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 "premises" is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term". This Coverage is in addition to the Limit of Insurance shown in the Declarations.

i. Preservation of Property

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

- (1)** While it is being moved or while temporarily stored at another location; and
- (2)** Only if the "loss" occurs within 60 days after the property is first moved.

This Coverage is included within Limit of Insurance shown in the Declarations for such Covered Property.

j. Rewards

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for "loss" in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

5. Coverage Extensions

Unless amended within a particular Coverage Extension, each Extension applies to property located in or on the building described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the "premises".

The limits applicable to the Coverage Extensions are in addition to the Limit of Insurance shown in the Property Declarations. Limits of Insurance specified in these Extensions apply per location unless stated otherwise.

SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance, does not apply to these Coverage Extensions.

a. Accounts Receivable

SECTION C. DEDUCTIBLE does not apply to this Coverage Extension.

(1) When you sustain direct "loss" to your accounts receivable records caused by a Covered Cause of Loss, we will pay:

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

(2) Coverage does not apply to:

- (a) Records of accounts receivable in storage away from the "premises"; or
- (b) Contraband, or property in the course of illegal transportation or trade.

(3) We will extend coverage to include:

(a) Removal

If you give us written notice within 30 days of removal of your records of accounts receivable because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limit of Insurance applicable to this Coverage Extension.

(b) Away From Your Premises

The most we will pay in any one occurrence is \$5,000, regardless of the number of locations, for "loss" caused by a Covered Cause of Loss to Accounts Receivable while they are away from your "premises".

This Away From Premises Limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

(4) **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (a) **Exclusion (1)(c) Governmental Action;**
- (b) **Exclusion (1)(d) Nuclear Hazard;**
- (c) **Exclusion (1)(f) War and Military Action.**

(5) In addition to Paragraph **a.(4)** of this Coverage Extension, we will not pay for "loss" resulting from any of the following:

(a) Dishonest or criminal acts by:

- 1) You, your partners, employees, directors, trustees or authorized representatives;
- 2) A manager or a member if you are a limited liability company;
- 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
- 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **a.(5)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **a.(5)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

(b) Alteration, falsification, concealment or destruction of records of

accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

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

- (c) Bookkeeping, accounting or billing errors or omissions.
- (d) Electrical or magnetic injury, disturbance or erasure of "electronic data" that is caused by or results from:
 - 1) Programming errors or faulty machine instructions;
 - 2) Faulty installation or maintenance of data processing equipment or component parts;
 - 3) An occurrence that took place more than 100 feet from your "premises"; or
 - 4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct "loss" caused by lightning.

- (e) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (f) A "loss" that requires any audit of records or any inventory computation to prove its factual existence.

(6) Determination of Receivables:

- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of direct "loss", the following method will be used:
 - 1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the direct "loss" occurs; and
 - 2) Adjust that total for any normal fluctuations in the amount of accounts receiv-

able for the month in which the direct "loss" occurred or for any demonstrated variance from the average for that month.

- (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - 1) The amount of the accounts for which there is no direct "loss"; and
 - 2) The amount of the accounts that you are able to re-establish or collect; and
 - 3) An amount to allow for probable bad debts that you are normally unable to collect; and
 - 4) All unearned interest and service charges.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

b. Business Income and Extra Expense

SECTION C. DEDUCTIBLE does not apply to this Coverage Extension.

(1) Business Income

We will pay for the actual loss of "Business Income" and "Rental Value" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at a "premises" caused by or resulting from any Covered Cause of Loss. With respect to "loss" to personal property in the open or personal property in a vehicle or portable storage unit, the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

With respect to the requirements of the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purpose of this Coverage Extension only, your "premises" is the portion of the building that you rent, lease or occupy, including:

- (a) Any area within the building or on the site at which the "premises" are located if that area ser-

vices or is used to gain access to the "premises"; and

- (b) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

(2) Extra Expense

- (a) We will pay Extra Expense you sustain during the "period of restoration". Extra Expense means necessary expenses you sustain (as described in Paragraphs **(2)(b)**, **(c)** and **(d)**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- (b) If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **(2)(c)**) to:
 - 1) Avoid or minimize the "suspension" of business and to continue "operations" either:
 - a) At the "premises"; or
 - b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
 - 2) Minimize the "suspension" of business if you cannot continue "operations".
- (c) We will also pay expenses to:
 - 1) Repair or replace property; or
 - 2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal

"operations", the amount we will pay under this Coverage will be reduced by the salvage value of that property.

- (d) Extra Expense does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

(3) Civil Authority

When a Covered Cause of Loss causes damage to property other than Covered Property at a "premises", we will pay for the actual loss of "Business Income" and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

This Civil Authority coverage for "Business Income" will begin immediately after the time of that action and will apply for a period of up to 30 days from the date of that action.

This Civil Authority coverage for Extra Expense will begin immediately after the time of that action and will end:

- 1) 30 consecutive days after the time of that action; or
- 2) When your "Business Income" coverage ends;

whichever is later.

(4) Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
 - 1) Used in the construction, alterations or additions; or
 - 2) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" Coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

(5) Newly Purchased or Leased Locations

We will pay the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" to Covered Property at any location you purchase or lease caused by or resulting from a Covered Cause of Loss. This coverage for the Newly Purchased or Leased Locations will end when any of the following first occurs:

- (a) This policy expires;
- (b) You report values to us;
- (c) 90 days pass from the date you acquire or begin to construct the Covered Property.

(6) Extended Business Income

- (a) For "Business Income" Other Than "Rental Value", if the necessary "suspension" of your "operations" produces a "Business Income" or Extra Expense "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur during the period that:
 - 1) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
 - 2) Ends on the earlier of:

- a) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(a)1)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

- (b) For "Rental Value", if the necessary "suspension" of your "operations" produces a "Rental Value" "loss" payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- 1) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- 2) Ends on the earlier of:

- a) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(b)1)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of

Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

(7) Interruption of Computer Operations

- (a)** Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data.**
- (b)** Paragraph **b.(7)(a)** 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 Paragraph **b.(7)(c)** has not been exhausted.
- (c)** The most we will pay under Paragraph **b.(7)** of this Coverage Extension is \$2,500 for all "loss" sustained and expense incurred in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional "loss" or expense in a subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

This \$2,500 coverage for Interruption of Computer Operations does not increase the Limit of Insurance provided in this Coverage Extension.

The most we will pay for "loss" in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$25,000.

c. Collapse

The coverage provided under this Coverage Extension applies only to an abrupt collapse as described and limited in Paragraphs **c.(1)** through **c.(7)** below.

- (1)** For the purpose of this Coverage Extension only, abrupt collapse means an abrupt falling down or caving in of a building or structure or any part of a building or structure with the result that the building or structure or part of the building or structure cannot be occupied for its intended purpose.
- (2)** We will pay for direct "loss" to Covered Property, caused by abrupt collapse of a building or structure or any part of a building or structure insured under this Coverage Part, or that contains Covered property insured under this Coverage Part, if such collapse is caused by one or more of the following:
 - (a)** Building or structure decay that is hidden from view, unless the presence of such decay is known or should reasonably have been 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 or should reasonably have been 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 materials or methods in construction, remodeling, or renovation if the abrupt collapse occurs after construction, remodeling, or renovation is complete but only if the collapse is caused in part by:
 - 1)** A cause of loss listed in Paragraph **c.(2)(a)** or **c.(2)(b)** of this Coverage Extension;
 - 2)** One or more of the "specified causes of loss";

- 3) Breakage of building glass;
 - 4) Weight of people or personal property; or
 - 5) Weight of rain that collects on a roof.
- (3) This Coverage Extension does not apply to:
- (a) A building or structure or any part of a building or structure that is in danger of falling down or caving in;
 - (b) A part of a building or structure that is standing, even if it has separated from another part of the building or structure; or
 - (c) A building or structure that is standing or any part of a building or structure that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (4) With respect to the following property:
- (a) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
 - (b) Awnings, gutters and downspouts;
 - (c) Yard fixtures;
 - (d) Outdoor swimming pools;
 - (e) Fences;
 - (f) Piers, wharves and docks;
 - (g) Beach or diving platforms; including their appurtenances;
 - (h) Retaining walls; and
 - (i) Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in Paragraph **c.(2)(a)** through **c.(2)(d)**, we will pay for "loss" to that property only if:
- (a) Such "loss" is a direct result of the abrupt collapse of a building or structure insured under this Coverage Part; and
 - (b) The property is Covered Property under this Coverage Part.
- (5) If personal property abruptly falls down or caves in and such collapse

is **not** the result of abrupt collapse of a building or structure, we will pay for direct "loss" to Covered Property caused by such collapse of personal property only if:

- (a) The collapse of personal property was caused by a Cause of Loss listed in **c.(2)(a)** through **c.(2)(d)** of this Coverage Extension;
- (b) The personal property that collapses is inside a building; and
- (c) The property that collapses is not of a kind listed in Paragraph **c.(4)** above of this Coverage Extension, regardless of whether that kind of property is considered to be personal property or real property.

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

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

d. Electronic Data

- (1) This Coverage Extension 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, ventilation, air conditioning or security system.
- (2) We will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss that applies to **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**. To the extent that "electronic data" is not replaced or restored, the "loss" will be valued at the cost of replacement of the me-

dia on which the "electronic data" was stored with blank media of substantially identical type.

- (3) For the purposes of this Coverage Extension only, 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, that is designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for "loss" 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 or "electronic data".

- (4) The most we will pay for all direct "loss" under this Coverage Extension, regardless of the number of "premises" or computer systems involved, is \$2,500. This limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent "loss" sustained in the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to an occurrence which begins in the "coverage term" and continues or results in additional "loss" in a subsequent "coverage term", all "loss" is deemed to be sustained in the "coverage term" in which the occurrence began.

e. Exhibitions, Fairs or Trade Shows

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while it is located at exhibitions, fairs or trade shows. This Coverage Extension does not apply while Covered Property is in transit to or from the exhibition, fair or trade show.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided under this Coverage Extension does not apply per location.

f. Fences

We will pay for direct "loss" caused by a Covered Cause of Loss to your outdoor fences that are located within 1,000 feet of the "premises" and not otherwise insured as Covered Property in this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage

- (1) The coverage described in Paragraphs **g.(2)** and **g.(3)** of this Coverage Extension only apply when the "fungi", wet or dry rot or bacteria is the result of a Covered Cause of Loss that occurs during the "coverage term" and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

- (2) We will pay for "loss" by "fungi", wet or dry rot or bacteria. As used in this Coverage Extension, the term "loss" means:

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

- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for "loss", regardless of the number of claims, is \$15,000. This limit is the most we will pay for the total of all "loss" arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungi", wet or dry rot or bacteria continues to be pre-

sent or active, or recurs, in a subsequent "coverage term".

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

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

- (5) The terms of this Coverage Extension do not increase or reduce the coverage provided under:

(a) **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse;**

(b) **SECTION A. COVERAGE, 5. Coverage Extensions, s. Water, Other Liquids, Powder or Molten Material Damage**

- (6) The following (6)(a) or (6)(b) apply only if "Business Income", "Rental Value", or Extra Expense Coverage applies to the "premises" and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable "Business Income", "Rental Value", or Extra Expense Coverage.

(a) If the "loss" which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to "loss" to property caused by "fungi", 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" other than "fungi", wet or dry rot or bacteria but remedia-

tion of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for "loss" and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

- (7) This Coverage Extension does not apply to lawns, trees, plants or shrubs that are part of any vegetative roof.

h. Glass

- (1) If a Covered Cause of Loss occurs to building glass that is Covered Property, we will also pay necessary expenses you incur to:

(a) Put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;

(b) Repair or replace encasing frames;

(c) Remove or replace obstructions (except expenses to remove or replace window displays); and

(d) Repair or replace alarm tapes.

- (2) If you are a tenant at a covered "premises" and:

(a) The building you occupy is not Covered Property; and

(b) You are legally liable for direct "loss" to the building glass in that building;

such building glass, for the purposes of this Paragraph h.(2), is Covered Property. The most we will pay for "loss" in any one occurrence is \$5,000. This building glass is subject to the building deductible as described in **SECTION C. DEDUCTIBLE**.

- (3) For the purposes of this Coverage Extension only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

(a) **Exclusion (1)(b) Earth Movement;**

(b) **Exclusion (1)(c) Governmental Action;**

- (c) **Exclusion (1)(d) Nuclear Hazard;**
- (d) **Exclusion (1)(f) War and Military Action;**
- (e) **Exclusion (2)(d)1** Wear and tear; and
- (f) As listed in **Exclusion (2)(d)2**: Rust or other corrosion, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

i. **Newly Purchased, Leased or Constructed Property**

(1) Buildings

If buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to:

- (a) Your new buildings or additions while being built on the "premises";
- (b) Buildings you newly purchase or become newly required to insure by written contract that are:
 - 1) Intended for use by you as a warehouse; or
 - 2) Similarly used by you as buildings insured under this Coverage Part.

The most we will pay for "loss" in any one occurrence to a building under this Coverage Extension is 1,000,000 for each building.

(2) Business Personal Property

- (a) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property you newly purchase or are required to insure by written contract:
 - 1) While located at buildings described in Paragraph **a.(1)** of this Coverage Extension; or
 - 2) While located in a leased building or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

- (b) Paragraph **a.(2)(a)** of this Coverage Extension does not apply to:

- 1) Any business personal property covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs, or Trade Shows or m. Property Off Premises;**
- 2) Any business personal property that is covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, p. Transportation** or is otherwise considered to be in-transit to or from a "premises".
- 3) Business personal property of others that is temporarily in your possession in the course of installing or performing work on such property, or temporarily in your possession in the course of your manufacturing or wholesaling activities.

The most we will pay for "loss" in any one occurrence to your Business Personal Property under this Coverage Extension is \$500,000 at each building.

(3) Period of Coverage

Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a) This policy expires,
- (b) For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (c) For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1**, 90 days after your purchase or lease;
- (d) For business personal property described in Paragraph **(2)(a)2**, 90 days from the effective date

of the lease of the building space in the building; or

(e) You report values to us.

We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

j. Nonowned Building Damage

If you are a tenant at a covered "premises" and:

(1) The building you occupy is not Covered Property; and

(2) You are legally liable for direct "loss" to that building;

We will pay for direct "loss" to that building caused by burglary, robbery, theft or attempted theft.

This Coverage Extension does not apply to:

(1) Glass, including lettering and ornamentation, and also necessary:

(a) Repair or replacement of encasing frames or alarm tapes; and

(b) Expenses incurred to board up openings or remove or replace obstruction.

(2) Building materials and equipment removed from the "premises".

This Coverage Extension does not apply if you have purchased other insurance in your name on the building you occupy as required by the lease.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

k. Outdoor Property

We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:

(1) Radio antennas, television antennas or satellite dishes (including their lead-in wiring, masts and towers);

(2) Trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or part of a vegetative roof), including debris removal ; and

(3) If you are a tenant, to your awnings that are attached to a building you occupy;

but only if caused by or resulting from any of the following causes of loss if they are included as Covered Causes of Loss under this Coverage Part:

(1) Fire;

(2) Lightning;

(3) Explosion;

(4) Riot or Civil Commotion;

(5) Aircraft; or

(6) Falling objects.

We will pay for the debris removal expenses of the above type property that are not your Covered Property if such debris is on your "premises" due to the Covered Causes of Loss described in this Coverage Extension. If you are a tenant, we do not pay debris removal expenses for trees, plants or shrubs owned by the landlord or owner of the building you occupy.

No other coverage for debris removal expenses provided in this Coverage Part applies to this Outdoor Property Coverage Extension.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000, but not more than \$1,000 for any one tree, shrub or plant.

l. Personal Effects

If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by:

(1) You, your officers, or your partners, or if you are a limited liability company, your members or your managers; or

(2) Your employees (including temporary and leased employees), including tools owned by your employees that are used in your business. However, employee tools are not covered for theft.

This Coverage Extension does not apply to "money" or "securities".

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$500 per occurrence limitation for direct "loss" by theft.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

m. Property Off Premises

(1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others, while it is away from the "premises", if it is:

- (a) Temporarily at a location you do not own, lease or operate; or
- (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".

(2) This Coverage Extension does not apply to Covered Property at exhibitions, fairs, trade show, or in transit.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

n. Signs

We will pay for direct "loss" caused by a Covered Cause of Loss, including debris removal expense, to signs not otherwise insured by this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

o. Trailers (Nonowned Detached)

(1) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is temporarily in your care, custody or control at the "premises"; and
- (c) You have a contractual responsibility to pay for "loss" to the trailer.

(2) We will not pay for any direct "loss" 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) This insurance is excess over the amount due, whether you can collect on it or not, from any other insurance covering such property.

(4) This Coverage Extension does not apply to any property inside or on the trailer.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

p. Transportation

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others while it is in or on a vehicle, including loading and unloading of the property.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

q. Utility Services

We will pay for:

(1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and

(2) Loss of "Business Income" you sustain and Extra Expenses you incur as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense;**

caused by or resulting from the partial or complete failure of utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

(1) Power Supply Property, meaning the following types of property supplying

electricity, steam or natural gas to the "premises":

- (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission, distribution, service, or similar lines, excluding all such overhead lines of any type.
- (2) Water Supply Property, meaning the following types of property supplying water to the "premises":
- (a) Pumping stations; and
 - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "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 Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Property, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular or satellite network; telephone, radio, microwave or television services to the "premises", such as:
- (a) Communication transmission, distribution, service or similar lines, including fiber optic lines, excluding all such overhead lines of any type;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays, excluding satellites.

This Coverage Extension does not apply to "loss" to "electronic data", including destruction or corruption of "electronic data".

The most we will pay for all direct "loss" and loss of "Business Income" and Extra Expense in any one occurrence is \$25,000.

r. Valuable Papers and Records

SECTION C. DEDUCTIBLE does not apply to this Coverage Extension.

- (1) Subject to Paragraph **r.(3)** of this Coverage Extension, we will pay necessary costs you incur to re-search, replace or restore lost or damaged information on "valuable papers and records" that are your property or the property of others in your care, custody or control; resulting from direct "loss" caused by a Covered Cause of Loss.
- (2) Coverage does not apply to:
- (a) Property that cannot be replaced with other property of like kind and quality;
 - (b) Property held as samples or for delivery after sale;
 - (c) Property in storage away from the "premises", except as provided in Paragraph **r.(4)(b)** of this Coverage Extension;
 - (d) Contraband, or property in the course of illegal transportation or trade;
 - (e) "Valuable papers and records" in the form of "electronic data", including the materials on which the "electronic data" is recorded.
- (3) The most we will pay for "loss" is the least of the following amounts:
- (a) The cost of reasonably restoring the damaged property to its condition immediately before the "loss";
 - (b) The cost of replacing the damaged property with substantially identical property; or
 - (c) The actual cash value of the damaged property at the time of "loss".

However, we will not pay for "loss" unless or until the damaged property is actually replaced or restored; and then only if such replacement or restoration occurs within 36 months from the date of direct "loss".

- (4) We will extend coverage to include:

(a) **Removal**

If you give us written notice within 30 days of removal of your "valuable papers and records"

because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for direct "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limits of Insurance applicable to this Coverage Extension.

(b) Away From Your Premises

We will pay up to \$5,000 in any one occurrence, regardless of the number of locations, for direct "loss" caused by a Covered Cause of Loss to "valuable papers and records" while they are away from your "premises".

This Away From Premises limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

(5) SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions does not apply to this Coverage Extension except as follows:

- (a) Exclusion (1)(c) Governmental Action;**
- (b) Exclusion (1)(d) Nuclear Hazard; and**
- (c) Exclusion (1)(f) War and Military Action.**

(6) In addition to Paragraph r.(5) of this Coverage Extension, we will not pay for direct "loss" resulting from any of the following:

- (a) Dishonest or criminal acts by:**
 - 1) You, your partners, employees, directors, trustees or authorized representatives;
 - 2) A manager or a member if you are a limited liability company;
 - 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
 - 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **r.(6)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **r.(6)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Errors or omissions in processing or copying.** However, we will pay for that portion of direct "loss" caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
- (c) Electrical or magnetic injury, disturbance or erasure of electronic recordings.** But we will pay for direct "loss" caused by lightning.
- (d) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.**

The most we will pay for "loss" in any one occurrence is \$25,000.

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

If a covered direct "loss" to which this insurance applies was caused by or resulted from water or other liquid, powder or molten material damage, we will also pay the cost to tear out and replace any otherwise undamaged part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

SECTION B. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except as amended in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, 4. Additional Coverages, and 5. Coverage Extensions.**

SECTION C. DEDUCTIBLE

Except as otherwise provided; in any one occurrence of direct "loss" we will first reduce the amount of "loss" if required by **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance or SECTION F. OPTIONAL COVERAGES, 1. Agreed Value.** If the adjusted amount of direct "loss" is less than or equal to the Deductible, we will not pay for that direct "loss". If the adjusted amount of direct "loss" exceeds the Deductible, we will then

subtract the Deductible from the adjusted amount of direct "loss", and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves direct "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.

1. Deductible Examples

Example No. 1:

(This example assumes there is no coinsurance penalty as outlined in **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**).

Deductible: \$250

Limit of Insurance - Bldg. 1: \$60,000

Limit of Insurance - Bldg. 2: \$80,000

"Loss" to Bldg. 1: \$60,100

"Loss" to Bldg. 2: \$90,000

The amount of "loss" to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of "loss" in calculating the "loss" payable for Bldg. 1:

$\$60,100 - \$250 = \$59,850$ "Loss" Payable - Bldg. 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of "loss" payable for Bldg. 2. "Loss" payable for Bldg. 2 is the Limit of Insurance of \$80,000.

Total amount of "loss" payable: $\$59,850 + \$80,000 = \$139,850$.

Example No. 2:

(This example also assumes there is no coinsurance penalty).

The Deductible and Limits of Insurance are the same as those in Example No. 1:

"Loss" to Bldg. 1: \$70,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" to Bldg. 2: \$90,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" Payable - Bldg. 1: \$60,000 (Limit of Insurance)

"Loss" Payable - Bldg. 2: \$80,000 (Limit of Insurance)

Total amount of "loss" payable: \$140,000.

2. Glass Deductible

When direct "loss" to the building you occupy only involves building glass, the Deductible for that "loss" will be the lesser of:

- a. \$500; or
- b. The Deductible shown in the Declarations for that Covered Property.

SECTION D. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

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, the amount of Net Income and operating expense, 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, the amount of Net Income and operating expense, 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 still retain our right to deny the claim.

3. Duties in the Event of Loss or Damage

- a. In the event of "loss" to Covered Property, you must see that the following are done in order for coverage to apply:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the "loss". Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the "loss" occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a

record of your expenses necessary to protect the Covered Property for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss.

- (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" 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) Submit 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" insured by this Coverage Part, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality.

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 **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- 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. Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. We will pay for insured "loss" 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.

i. **Loss Payment - Ordinance or Law.**

With respect to **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**:

(1) Loss of Use of Undamaged Parts of Building

When there is a loss in value of an undamaged portion of a building or structure to which this coverage applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (a) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is repaired or replaced, on the same "premises" or another "premises"; we will not pay more than the lesser of:

- 1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same "premises" and to the same height, floor area, style and comparable quality of the original property insured; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

- (b) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:

- 1) The "actual cash value" of the building at the time of "loss"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

(2) Demolition Costs

Loss payment for Demolition Costs will be determined as follows:

We will not pay more than the lesser of the following:

- (a) The amount you actually spend to demolish and clear the site of the "premises"; or

- (b) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Demolition Costs** for the building that has suffered "loss".

(3) Increased Costs of Construction

Loss payment for **Increased Costs of Construction** will be determined as follows:

- (a) We will not pay for the increased cost of construction until the property is actually repaired or replaced, at the same "premises" or another location and unless the repairs or replacement are made as soon as reasonably possible after the direct "loss", not to exceed two years. We may extend this period in writing during the two years.

- (b) If the building is repaired or replaced at the same "premises", or if you elect to rebuild at another "premises", the most we will pay for the **Increased cost of construction** is the lesser of:

- 1) The increased cost of construction at the same "premises"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

- (c) If the ordinance or law requires relocation to another location the most we will pay for the increased cost of construction is the lesser of:

- 1) The increased cost of construction at the new location; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

(4) Proportional Payments

If the building or structure sustains both direct "loss" that is covered un-

der this Coverage Part and direct "loss" that is not covered under this Coverage Part; and as a result of the direct "loss" in its entirety you are required to comply with the ordinance or law, we will not pay the full amount of direct "loss" otherwise payable under the terms of **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**. Instead, we will pay a proportion of such direct "loss"; meaning the proportion that the covered direct "loss" bears to the total direct "loss".

j. Loss Determination - Business Income and Extra Expense

With respect to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**,

(1) The amount of "Business Income" and "Rental Value" "loss" will be determined based on:

- (a) The Net Income of the business before the direct "loss" occurred;
- (b) The likely Net Income of the business if no direct "loss" 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;
- (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
- (d) Other relevant sources of information, including:
 - 1) Your financial records and accounting procedures;
 - 2) Bills, invoices and other vouchers; and
 - 3) Deeds, liens or contracts.

(2) The amount of Extra Expense will be determined based on:

- (a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct "loss"

had occurred. We will deduct from the total of such expenses:

- 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
- 2) 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

(b) Necessary expenses that reduce the "Business Income" and "Rental Value" "loss" that otherwise would have been incurred.

(3) Resumption of Operations

We will reduce the amount of your:

- (a) "Business Income" and "Rental Value" "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 "premises" or elsewhere.
- (b) Extra Expense "loss" to the extent you can return "operations" to normal and discontinue such Extra Expense.

(4) 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.

k. Party Walls

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 all other provisions of this **SECTION D. LOSS CONDITIONS, 4. Loss Payment** including:

- (1) Limit of Insurance shown in the Declarations;
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation;** and
- (3) **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance.**

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 **COMMERCIAL PROPERTY CONDITIONS, I. Transfer Of Rights Of Recovery Against Others To Us** in this Coverage Part.

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 Coverage Part 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 Coverage Part 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:
 - 1) Rented to a lessee or sublessee and used by them to conduct their customary operations; or
 - 2) 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 direct "loss" occurs has been vacant for more than 60 consecutive days before that "loss", we will:

- (1) Not pay for any "loss" 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) Reduce the amount we would otherwise pay for the "loss" by 15% with respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** of this Loss Condition.

7. Valuation

We will determine the value of Covered Property in the event of direct "loss" as follows:

- a. At "Actual Cash Value" as of the time of direct "loss", except as provided in **b.**, **c.**, **d.**, and **e.** below.
- b. If the Limit of Insurance for Building satisfies **SECTION E. ADDITIONAL CONDITIONS, 1. 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 or compliance with any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at 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. Tenant's Improvements and Betterments at:
 - (1) Replacement Cost 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.
 - (4) For the purposes of valuation, tenants' improvements and betterments are not considered to be the personal property of others.

SECTION E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

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 direct "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 direct "loss" by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);

- (3) Multiply to 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.

Example No. 1 (Underinsurance):

The value of the property is: \$250,000
 The coinsurance percentage is: 80%
 The Limit of Insurance is: \$100,000
 The Deductible is: \$250
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$ (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$100,000 \text{ divided by } \$200,000 = .50$

Step (3):

$\$40,000 \times .50 = \$20,000$

Step (4):

$\$20,000 - \$250 = \$19,750$.

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example No. 2 (Adequate Insurance):

The value of the property is: \$250,000
 The coinsurance percentage is: 80%
 The Limit of Insurance is: \$200,000
 The Deductible is: \$250
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$ (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$200,000 : \$200,000 = 1.00$

Step (3):

$\$40,000 \times 1.00 = \$40,000$

Step (4):

$\$40,000 - \$250 = \$39,750$.

We will pay no more than \$39,750 "loss" in excess of the Deductible. No penalty applies.

- 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.

Example No. 3:

The values of the property are:

Bldg. at Location No. 1:	\$75,000
Bldg. at Location No. 2:	\$100,000

Personal Property at Location No. 2:	<u>\$75,000</u>
	250,000

The coinsurance percentage is: 90%
The Limit of Insurance for Buildings and Personal

Property at Location Nos. 1 and 2 is:	\$180,000
The Deductible is:	\$1,000
The amount of "loss" is:	
Bldg. at Location No. 2:	\$30,000
Personal Property at Location No. 2:	<u>\$20,000</u>
	\$50,000

Step (1):

$\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):
 $\$180,000 : \$225,000 = .80$

Step (3):
 $\$50,000 \times .80 = \$40,000$

Step (4):
 $\$40,000 - \$1,000 = \$39,000.$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgage Holders

- a. The term "mortgage holder" includes trustee.
- b. We will pay for covered "loss" to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder 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 mortgage holder will still have the right to receive loss payment if the mortgage holder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn statement 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 mortgage holder.

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

- e. If we pay the mortgage holder for any "loss" 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 mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder 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 mortgage holder 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 mortgage holder at least ten days before the expiration date of this policy.

SECTION F. 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 direct "loss" to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Limit of Insurance indicated in the most current Statement of Values that applies to this Coverage Part.
- b. If the Agreed Value Optional Coverage is deleted from the policy, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage does not apply.
- c. The terms of this Optional Coverage apply only to "loss" that occurs:
 - (1) On or after the effective date of this Optional Coverage; and
 - (2) Before the policy expiration date.
- d. This Agreed Value Optional Coverage does not apply to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies 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 beginning of the current "coverage term" or any other Coverage Part change amending the Limit of Insurance, multiplied by
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), multiplied by
 - (3) The number of days since the beginning of the current "coverage term" or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365. In the event of "loss", this number of days ends at the original date of "loss".

Example:

If: The applicable Limit of Insurance is: \$100,000

The Annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change) is: 146

The amount of increase is
 $\$100,000 \times .08 \times (146/365) = \$3,200$

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces "Actual Cash Value" in **SECTION D. LOSS CONDITIONS, 7. Valuation** of this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. This Optional Coverage does not apply to:
 - (1) Personal Property of others, except leased personal property as described in **SECTION A. COVERAGE, 1. Covered Property, d.(7)**. The valuation of such leased personal property will be based on the amount for which you are liable under the lease, but not to exceed the replacement cost of the leased item.
 - (2) Personal effects;
 - (3) Contents of a residence;
 - (4) Manuscripts;
 - (5) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
 - (6) "Stock" unless the Replacement Cost including "Stock" option is shown in the Declarations; or
 - (7) Property, that at the time of "loss":
 - (a) Is outdated, or obsolete and is stored or not being used; or
 - (b) Has no practical value to you.
- c. You may make a claim for "loss" 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" 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".
- d. We will not pay on a replacement cost basis for any "loss":
 - (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same

purpose as the lost or damaged property; and

- (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

- e. We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;

- (2) The cost to replace, on the same "premises", the lost or damaged property with other property:

- (a) Of comparable material and quality; and

- (b) Used for the same purpose; or

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

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use, or repair of any building or structure except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law.**

SECTION G. DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.

2. "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 sustained, including payroll.

3. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if

any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or

- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

5. "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.

6. "Finished stock" means stock you have manufactured, except "stock" you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.

7. "Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

8. "Loss" means accidental physical loss or accidental physical damage.

9. "Money" means:

- a. Currency, coins and bank notes whether or not in current use; and

- b. Travelers checks, registered checks and money orders held for sale to the public.

10. "Operations" means:

- a. Your business activities occurring at the "premises"; and

- b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.

11. "Period of restoration" means the period of time that:

- a. Begins at the time of direct "loss".

- b. Ends on the earlier of:

- (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
- c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
- d. The expiration date of the policy will not cut short the "period of restoration".
12. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
 - b. You use, generate or produce the "pollutant".
13. "Premises" means the Locations and Buildings described in the Declarations.
14. "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 "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.
15. "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 or not in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue; but does not include "money". Lottery tickets held for sale are not "securities" or evidences of debt.
16. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the Covered Property into subterranean voids created by the action of water on a limestone or similar rock formation. This does not include:
- a. The cost of filling sinkholes;
 - b. Sinking or collapse of land into man-made subterranean cavities; or
 - c. The value of the land.
17. "Specified causes of loss" means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; and water damage.
- a. Falling objects does not include "loss" 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.
 - b. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
 - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "premises" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include "loss" otherwise excluded under the terms of **BUILDING AND BUSINESS PERSONAL PROPERTY, SECTION A. COVERAGE, 3. Covered Causes of Loss, (g) Water**. Therefore, for example, there is no coverage under this Coverage Part in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Exclusion **(g) Water**, there is no coverage for "loss" caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **18.b.(1)** or **18.b.(2)** of this definition of "Specified causes of loss", such

water is not subject to the provisions of Exclusion **(g) Water**.

18. "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.
19. "Suspension" means:
 - a. The slowdown or cessation of your business activities; and
 - b. That a part or all of the "premises" is rendered untenable.
20. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information.

But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

NOTICE TO POLICYHOLDERS OF REDUCTION IN COVERAGE CYBER INCIDENT EXCLUSION

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

Your policy contains one or more of the following forms:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
TEMPERATURE CHANGE LOSS FORM
CINCIPLUS COMMERCIAL PROPERTY XC (EXPANDED COVERAGE) ENDORSEMENT
CINCIPLUS COMMERCIAL PROPERTY POWER XC (EXPANDED COVERAGE) ENDORSEMENT
CINCIPLUS COMMERCIAL PROPERTY XC+ (EXPANDED COVERAGE PLUS) ENDORSEMENT
CINCIPLUS COMMERCIAL PROPERTY POWER XC+ (EXPANDED COVERAGE PLUS) ENDORSEMENT
CRAFT BEVERAGE COMMERCIAL PROPERTY ENDORSEMENT
EDUCATIONAL INSTITUTIONAL COMMERCIAL PROPERTY ENDORSEMENT
FITNESS AND RECREATION EXPANDED COMMERCIAL PROPERTY ENDORSEMENT
GOLF AND COUNTRY CLUB COMMERCIAL PROPERTY ENDORSEMENT
HEALTH CARE FACILITY COMMERCIAL PROPERTY ENDORSEMENT
HOTEL COMMERCIAL PROPERTY ENDORSEMENT
MEDICAL FACILITY COMMERCIAL PROPERTY ENDORSEMENT
SOCIAL SERVICES COMMERCIAL PROPERTY ENDORSEMENT
WATER UTILITIES COMMERCIAL PROPERTY ENDORSEMENT

With this policy renewal, your coverage has been amended to exclude cyber incidents with form **FA 319 - AMENDMENT OF COVERAGE - CYBER INCIDENT EXCLUSION**.

Excluded Coverage

Coverage is excluded for loss or damage caused by cyber incidents, meaning:

- Unauthorized access to or use of any computer system (including electronic data).
- 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.
- 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.

A cyber incident includes, but is not limited to, ransomware.

If your policy contains the **TEMPERATURE CHANGE LOSS FORM**, or if your policy contains a coverage section for **Temperature Change** via a Commercial Property Endorsement, cyber incidents causing temperature change are excluded in this form.

If your policy contains the **MORTGAGE INTEREST COVERAGE FORM**, cyber incidents are excluded in this form.

If your policy contains a coverage section for **Electronic Data Processing Property** via a Commercial Property Endorsement, cyber incidents are excluded for this electronic data processing property.

Limited Coverage

If fire or explosion results from a cyber incident, we will pay for that resultant loss.

Cyber Incident coverage is available on a limited basis for an additional premium charge. Please contact your insurance agent with any questions or concerns.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL LOSS SUSTAINED BUSINESS INCOME ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

(Enter number of months to activate coverage)

REFER TO FM502 consecutive months

- A.** This endorsement applies to the following Coverage Forms:
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**
- B.** For the purposes of this endorsement only, **SECTION A. COVERAGE, Additional Coverages, Extended Business Income, (1), (b), (ii)** is deleted in its entirety and replaced by the following, and **(iii)** is added:
- (ii)** 60 consecutive days after the date determined in **(1)(a)** above; or
- (iii)** The number of consecutive months after the date of direct physical "loss" indicated in the Schedule of this endorsement.
- C.** For the purposes of this endorsement only, **SECTION A. COVERAGE, Additional Coverages, Extended Business Income, (2), (b), (ii)** is deleted in its entirety and replaced by the following, and **(iii)** is added:
- (ii)** 60 consecutive days after the date determined in **(2)(a)** above; or
- (iii)** The number of consecutive months after the date of direct physical "loss" indicated in the Schedule of this endorsement.
- D.** For the purposes of this endorsement only, **SECTION F. DEFINITIONS, 7. "Period of Restoration", b.** is deleted in its entirety and replaced by the following:
- b.** Ends on the earlier of:
- (1)** The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality;
- (2)** The date when business is resumed at a new permanent location; or
- (3)** The number of consecutive months after the date of direct physical "loss" indicated in the Schedule of this endorsement.
- E.** When 12 or 18 months ALS (an acronym of Actual Loss Sustained) is shown in the Declarations as the Limit of Insurance for Business Income for a specific item, **SECTION B. LIMITS OF INSURANCE** is deleted in its entirety for that item.
- F.** If the policy to which this endorsement is attached has been issued for a period of more than one year, then this business income coverage is subject to annual rating.

EDUCATIONAL INSTITUTIONS COMMERCIAL PROPERTY ENDORSEMENT

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EDUCATIONAL INSTITUTIONS

COMMERCIAL PROPERTY ENDORSEMENT

EDUCATIONAL INSTITUTIONS SCHEDULE OF COVERAGE LIMITS

<u>Excess Limit Coverages (ELC):</u>	<u>Excess Limit Coverage (ELC) Limits of Insurance:</u>
Accounts Receivable	\$250,000, plus ELC
Building	Limits apply as specifically scheduled, plus ELC
Business Personal Property	Limits apply as specifically scheduled, plus ELC
Debris Removal	\$250,000, plus ELC
Employee Personal Effects	\$50,000 (\$25,000 any one employee), plus ELC
Excess Limit Coverage (ELC)	25% of specified Property, up to \$500,000 per occurrence
Fine Arts	\$50,000 (\$10,000 any one item), plus ELC
Outdoor Property	\$50,000 (\$10,000 per tree, shrub or plant), plus ELC
Peak Season	Included in ELC
<u>Other Coverages:</u> (not subject to Excess Limit Coverage)	<u>Limit of Insurance:</u>
Animals	\$25,000 (\$2,500 per any one animal)
Athletic and Band Uniforms, Athletic Equipment, Theater Costumes, Props and Scenery	\$100,000
Audio Visual Equipment and Cameras	\$100,000
Automated External Defibrillators (AED)	\$25,000 (\$5,000 per any one AED)
Brands and Labels	Included in Business Personal Property Limit
Business Income and Extra Expense	\$100,000 Business Income, \$300,000 Extra Expense
Business Income from Dependent Properties	\$25,000 (24 hour waiting period)
Interruption of Computer Operations	\$25,000 sublimit (24 hour waiting period)
Electronic Vandalism	\$25,000
Contract Penalties	\$100,000
Duplicate and Backup "Electronic Data"	\$10,000 sublimit
Electronic Data Processing Property	Included in Business Personal Property Limit
Emergency Vacating Expense	\$25,000
Exhibitions, Fairs or Trade Shows	\$250,000
Fences	Included in Building Limit
Fire Department Service Charge	\$50,000
Fire Protection Equipment Recharge	Actual Loss Incurred
Fundraising Event Cancellation Business Income	\$50,000
Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage	\$50,000
Harvested Crops	\$25,000
Inflation Guard	4% on covered Buildings
Inventory or Appraisal	\$300,000
Key and Lock Expense	\$50,000
Musical Instruments	\$100,000
Ordinance or Law	Cov A included up to building limit, Cov B, C \$1,000,000 per building

Paved Surfaces	Included in Building Limit
Pollutant Clean Up and Removal	\$100,000
Preservation of Property	180 days
Property Off Premises	\$250,000
Prototypes	Included in BPP Limit
Research and Development Documentation	\$250,000
Rewards	25% of covered loss up to \$100,000
Signs	\$100,000
Stamps, Tickets, and Gift Cards	\$1,000
Students Personal Effects	\$100,000 (\$5,000 per student)
Temperature Change	\$100,000
Trailers (Nonowned Detached)	\$50,000
Transportation	\$250,000
Underground Property	Included in Building Limit
Unnamed Locations	\$200,000
Unscheduled Appurtenant Buildings, Structures and Equipment	Buildings, Structures and Equipment included in Building Limit (Contents included in Business Personal Property)
Utility Services	
Direct and Indirect Damage	\$100,000
Overhead Power Lines	\$5,000 sublimit (24 hour waiting period)
Valuable Papers	\$250,000
Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems	\$100,000
Water Under the Ground Surface	\$25,000
Windblown Debris	\$10,000
Worldwide Laptop Coverage	\$50,000 (\$10,000 any one item in any one occurrence)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS COMMERCIAL PROPERTY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

A. Accounts Receivable

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Accounts Receivable** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

B. Animals

For the purposes of this endorsement only, **SECTION A. COVERAGE, 2. Property Not Covered, b. Animals** is deleted in its entirety.

For the purposes of this endorsement only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (2) Limitations - Various Property for Specified Causes, (a)** is deleted in its entirety.

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Animals

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to animals which are:

- (1) Owned by others and boarded by you;
- (2) Owned by you and covered as "stock" while inside of buildings; or
- (3) Part of your agricultural, vocational or equestrian program.

Animals may be located inside or outside of buildings other than poultry which are covered only while inside buildings.

However, we will not pay for direct "loss" unless caused by or resulting from the following:

- (1) "Specified causes of loss";
- (2) Accidental shooting or drowning;
- (3) Attack by dogs or wild animals;
- (4) Collision with a vehicle;
- (5) Electrocution; or
- (6) Theft.

However, coverage applies only if the animal is killed or its destruction is made necessary for humane reasons.

The most we will pay for "loss" in any one occurrence is the **Animals** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits, but not more than \$2,500 for any one animal. The Limit of Insurance provided by this Coverage Extension does not apply per location.

C. Athletic and Band Uniforms, Athletic Equipment and Theater Costumes, Props and Scenery

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Athletic and Band Uniforms, Athletic Equipment and Theater Costumes, Props and Scenery

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to athletic and band uniforms, athletic

equipment and theater costumes, props and scenery that are your property or the property of others that is in your care, custody or control while:

- (1) At the "premises"; or
- (2) If it is temporarily at a location you do not own, lease, or operate.

This Coverage Extension does not apply to athletic and band uniforms, athletic equipment and theater costumes, props and scenery at exhibitions, fairs, trade shows or in transit.

For the purposes of this Coverage Extension only, the following exclusion in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is deleted:

Exclusions (1)(g) Water

The most we will pay for "loss" in any one occurrence is the **Athletic and Band Uniforms, Athletic Equipment and Theater Costumes, Props and Scenery** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage Extension does not apply per location.

D. Audio Visual Equipment and Cameras

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Audio Visual Equipment and Cameras

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to Audio Visual Equipment and Cameras and related equipment and accessories that are your property or the property of others that is in your care, custody or control while:
 - (a) At the "premises"; or
 - (b) Away from the "premises" if it is temporarily at a location you do not own, lease, or operate.
- (2) This Coverage Extension does not apply to Audio Visual Equipment and Cameras and related equipment and accessories at exhibitions, trade shows, fairs or in transit.
- (3) This Coverage Extension does not apply to direct "loss" by mysterious disappearance.
- (4) For the purposes of this Coverage Extension only, the following exclusions in

SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions are deleted:

- (a) Exclusion (1)(b) **Earth Movement**; and
- (b) Exclusions (1)(g) **Water**.

The most we will pay for "loss" in any one occurrence is the **Audio Visual Equipment and Cameras** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. The Limit of Insurance provided by this Coverage Extension does not apply per location.

E. Automated External Defibrillators

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Automated External Defibrillators

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to Automated External Defibrillators (AEDs) that are your property or the property of others that is in your care, custody, or control while:

- (1) At the "premises"; or
- (2) While temporarily at a location you do not own, lease, or operate.

This Coverage Extension does not apply to AEDs insured by any other coverage under this Coverage Part.

The most we will pay for "loss" in any one occurrence is the **Automated External Defibrillators** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits, but not more than the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for any one Automated External Defibrillator. The Limit of Insurance provided by this Coverage Extension does not apply per location.

F. Brands and Labels

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of

the property at an agreed or appraised value. If so, you may:

- (1) Stamp the word "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay for loss in any one occurrence under **Brands and Labels** is the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

G. Broadened Business Personal Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property** is amended to include the following:

"Scientific and professional equipment"

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

"Scientific and professional equipment" means medical, engineering, veterinary, measurement, recoding, analyzing or similar equipment.

H. Business Income and Extra Expense

- (1) For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS, 11. "Period of restoration"** is deleted in its entirety and replaced by the following:

"Period of restoration" means the period of time that:

a. Begins:

- (1) At the time of direct "loss" for "Business Income" coverage; or
- (2) Immediately after the time of direct "loss" for Extra Expense coverage;

Caused by or resulting from any Covered Cause of Loss at the "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 "premises" should be repaired, rebuilt or replaced; or

- (2) The date when the school term is resumed at a new permanent location.

c. "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".

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

2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**, the definition of "operations" in **SECTION G. DEFINITIONS** is deleted in its entirety and replaced by the following:

"Operations" means:

- a. Your business activities occurring at the "premises" including generating tuition and related fees from students such as room, board, laboratories and other similar sources. Your business activities also include bookstores, athletic events, activity related to research grants or similar business activities.
- b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.

3. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, Item (6)(a) Extended Business Income** is deleted in its entirety and replaced by the following:

- (a) For "Business Income" Other Than "Rental Value", if the necessary

"suspension" of your "operations" produces a "Business Income" or Extra Expense loss payable under this policy, we will pay for the actual loss of "Business Income" and Extra Expense you sustain during the school term following the date the property is actually repaired, rebuilt or replaced, if that date is 60 days or less before the scheduled opening of the next school term.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

4. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense is modified as follows for this endorsement only:

1. Business Income From Dependent Properties

- a.** For **Business Income From Dependent Properties** only, **b. Business Income and Extra Expense, Paragraph (1)** is deleted in its entirety and replaced by the following:

(1) Business Income

We will pay for the actual loss of "Business Income" you sustain due to the necessary suspension of your "operations" during the "period of restoration". The suspension must be caused by direct "loss" to "dependent property" caused by or resulting from any Covered Cause of Loss.

However, coverage under this endorsement does not apply when the only direct "loss" to "dependent property" is direct "loss" to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains direct "loss" to "electronic data"

and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt, or replaced.

b. Limit of Insurance for Dependent Properties

The most we will pay for loss in any one occurrence is the **Business Income From Dependent Properties** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

c. Loss Determination for Dependent Properties

For the purposes of this endorsement only, the following is added:

Resumption of Operations

We will reduce the amount of your:

- (1)** "Business Income" "loss", other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available
 - (a)** Source of materials; or
 - (b)** Outlet for your products.
- (2)** Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. Definitions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

- (1)** "Dependent Property" means property operated by others whom you depend on to:
 - (a)** Deliver materials or services to you, or to

others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:

- 1) Water Supply Services;
- 2) Power Supply Services; or
- 3) Communication Supply Services, including services relating to internet access or access to any electronic network;

- (b) Accept your products or services;
- (c) Manufacture products for delivery to your customers under contract of sale; or
- (d) Attract customers to your business.

- (2) The "Period of Restoration" Definition, with respect to "dependent property", is replaced by the following:

"Period of Restoration" means the period of time that:

- (a) Begins 24 hours after the time of direct "loss" caused by or resulting from any Covered Cause of Loss at the "premises" of the "dependent property"; and
- (b) Ends on the date when the property at the "premises" of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

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

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

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

2. Interruption of Computer Operations

- a. For **Interruption of Computer Operations** only, all references to \$2,500 in **b. Business Income and Extra Expense**, Paragraph (7)(c) are deleted and replaced with the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

- b. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS, 19.** "Suspension" is amended as follows:

With respect to a suspension of "operations" caused only by an interruption in computer operations due to the destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, Paragraph a. of Definition 11. "Period of Restoration" is deleted and replaced by the following:

- a. Begins 24 hours after the time of direct "loss".

3. The last paragraph of **b. Business Income and Extra Expense, (2) Interruption of Computer Operations, (c)** is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence is the **Business Income and Extra Expense** Limit of Insurance as indicated in the Educational Institutions Schedule of Coverage Limits.

I. Contract Penalties

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Contract Penalties

We will pay for written contract penalties you are required to pay due to your failure to provide your product or service as a direct result of "loss" from a Covered Cause of Loss to "stock" when "stock" is Covered Property under this Coverage Part.

The most we will pay for all penalties in any one "coverage term" is the **Contract Penalties** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. The Limit of Insurance provided by this Coverage Extension does not apply per location.

J. Covered Property - Building

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property, a. Building;** Items (2) and (3) are deleted in their entirety and replaced by the following:

- (2) Fixtures, including outdoor fixtures, exterior lighting fixtures or poles (whether free standing or attached to the building) and yard fixtures;
- (3) Permanently installed furniture, machinery and equipment, including:
 - (a) Organs and operating motors;
 - (b) Fixed pews, seats and desks, fixed tables, railings, altars, pulpits, lecterns, baptismal fonts, clocks, bells, sound and communication equipment and fire curtains;
 - (c) Glass, including stained glass windows;
 - (d) Signs attached to a covered building or structure;
 - (e) Awnings and canopies that are attached to a covered building.

K. Covered Property - Business Personal Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property;** Items (1), (2) and (4) are deleted in their entirety and replaced by the following:

- (1) Furniture not permanently installed;
- (2) Machinery and equipment not permanently installed;
- (4) All other personal property owned by you other than buildings;

L. Debris Removal

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** is deleted in its entirety and replaced by the following:

b. Debris Removal

We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss". This Additional Coverage does not apply to costs to:

- (a) Extract "pollutants" from land or water; or
- (b) Remove, restore or replace polluted land or water.

The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained direct "loss". 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 "loss" to the Covered Property that has sustained direct "loss".

We will pay up to the Limit of Insurance indicated in the Educational Institutions Schedule of Limits for debris removal expense in any one occurrence of direct "loss" 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 "loss" exceeds the Limit of Insurance on the Covered Property that has sustained direct "loss".
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained direct "loss".

Therefore, our total payment for direct "loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained direct "loss", plus the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. This Limit of Insurance in the Educational Institutions Schedule of Coverage Limits does not apply per location.

M. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

When direct "loss" to Covered Property only involves the following coverage extensions; **C. Athletic and Band Uniforms Athletic Equipment, Theater Costumes, Props and Scenery, D. Audio Visual Equipment and Cameras, U. Fine Arts, DD. Musical Instruments and QQ. Signs**, the Deductible for that direct "loss" will be the lesser of:

1. \$500; or
2. The Deductible shown in the Commercial Property Coverage Part Declarations for that Covered Property.

N. Electronic Vandalism

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Electronic Vandalism

1. Electronic Vandalism - Direct Damage

We will pay for direct "loss" resulting from "electronic vandalism" to property consisting of your:

- a. Covered "computer system"; and
- b. Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs used in processing units,

at the "premises".

2. Electronic Vandalism - Interruption of Computer Operations

SECTION A. COVERAGE 5. Coverage Extensions, b. Business Income and Extra Expense, (7) Interruption of Computer Operations is deleted in its entirety and replaced by the following:

(7) Electronic Vandalism - Interruption of Computer Operations

- (a) Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations at the described "premises" due to "electronic vandalism" originating anywhere in the world.
 - (b) Paragraph (7)(a) does not apply even if the amount of insurance stated in Paragraph (7)(c) has not been exhausted.
 - (c) The most we will pay under Paragraph (7) of this Coverage Extension is the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for all "Business Income" and Extra Expense sustained in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional "loss" or expense in a subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.
- ##### 3. Special Electronic Vandalism Exclusions
- SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended to include the following:
- a. Loss of proprietary use of any "electronic data" or "proprietary programs" that have been copied, scanned, or altered;
 - b. Loss of or reduction in economic or market value of any "electronic data" or "proprietary programs" that

have been copied, scanned, or altered; and

- c. Theft from your "electronic data" or "proprietary programs" of confidential information through the observation of the "electronic data" or "proprietary programs" by accessing covered "computer systems" without any alteration or other direct "loss" to the records or programs. Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets.
- 4. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
- a. "Computer system" means a configuration of "hardware" and "electronic data", including "telecommunications equipment" which may be integrated into or connected to such "hardware", purposely designed to perform particular function or functions.
 - b. "Computer virus" means the introduction into your "computer system" or your Web site of any malicious, self-replicating "electronic data" processing code or other code and that is intended to result in, but is not limited to:
 - (1) Deletion, destruction, generation, or modification of your "computer system";
 - (2) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of your "computer system";
 - (3) Damage, destruction, inadequacy, malfunction, degradation, or corruption of your "computer system"; or
 - (4) Denial of access to or denial of services from your "computer system" or Web site including related "electronic data".
 - c. "Denial of service attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the internet.
 - d. "Electronic Vandalism" means "unauthorized use", "computer virus" or a "denial of service attack." "Electronic vandalism" does not include the "theft" of any property or services.
 - e. "Hardware" means an assemblage of electronic machine components capable of accepting and processing "electronic data" for the purpose of producing desired results. However, "hardware" does not include "telecommunications equipment".
 - f. "Proprietary programs" means proprietary operating programs and applications that you developed or that you had developed specifically for use in your "operations" and that are:
 - (1) Stored in "electronic data"; or
 - (2) Installed and stored in "hardware".
 - g. "Telecommunications equipment" means telephones, including any related switching systems or similar equipment, fax machines and other similar equipment used to transmit voice or "electronic data" communications over telephone lines, data lines or air waves. However, "telecommunications equipment" does not include "hardware".
 - h. "Unauthorized Use" means
 - (1) Illegal or malicious entry into your "computer system" by a person not authorized to do so by you which results in the distortion or corruption of such "computer system"; or
 - (2) Entry into or use of your "computer system" by a party:
 - (a) Not authorized by you to do so; or
 - (b) Authorized by you to do so, but who does so to use it in an unauthorized manner,

Which results in the distortion or corruption of your "computer system".

The most we will pay for all loss from both **Electronic Vandalism - Direct Damage** and **Electronic Vandalism - Interruption of Computer Operations** is the **Electronic Vandalism** Limit of Insurance indi-

cated in the Educational Institutions schedule of Coverage Limits in any one occurrence.

O. Electronic Data Processing Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Electronic Data Processing Property

(1) Covered Property

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to Electronic Data Processing Property consisting of your:

- (a) Data processing equipment;
- (b) Air conditioning and other electrical equipment, used exclusively with your data processing equipment;
- (c) Programming documentation and instruction manuals;
- (d) "Electronic data", but only as excess over what is valid and collectible under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**;
- (e) Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs used in processing units; and
- (f) Property of others in your care, custody or control that is similar to property described in **1.a.** through **e.** above.

(2) Property Not Covered

This Coverage Extension does not apply to:

- (a) Accounts, records, documents and other "valuable papers and records" unless they are programming documentation or instruction manuals.

However, we will cover these items once they are converted to "electronic data" form.

- (b) "Electronic data" or media that cannot be replaced with similar property of equal quality.

- (c) Your property that you have rented or leased to someone else and that property is not at your "premises".
- (d) Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- (e) "Production equipment".

(3) Exclusions

- (a) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- 1) **Exclusion (1)(c) Governmental Action**;
- 2) **Exclusion (1)(d) Nuclear Hazard**;
- 3) **Exclusion (1)(f) War and Military Action**;
- 4) **Exclusion (2)(b) Delay or Loss of Use**;
- 5) **Exclusion (2)(d) Miscellaneous Causes of Loss, 1) Wear and tear**;
- 6) **Exclusion (2)(h) Dishonest or Criminal Acts**;
- 7) **Exclusion (3)(b) Acts or Decisions**; and
- 8) **Exclusion (3)(c) Defects, Errors and Omissions**.

- (b) In addition to Paragraph **O.3.a.** of this Coverage Extension, we will not pay for the following:

Hidden or latent defect, gradual deterioration, and depreciation. However, if direct "loss" by a Covered Cause of Loss results, we will pay for that resulting direct "loss".

(4) Duplicate and Backup "Electronic Data"

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to duplicate and backup "electronic data" that you store at a "premises" not described in the Declarations providing such "electronic data" is not covered by another policy. The most we will pay for "loss" in any one occurrence is the Limit of Insurance indicated in the Educational

Institutions Schedule of Coverage Limits in any one occurrence.

(5) Electronic Data Processing Property Valuation

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

7. Valuation of Electronic Data Processing Property

In the event of direct "loss", we will determine the value of Covered Property as described in Paragraph **O.1.** of this Coverage Extension as follows:

a. Except for "electronic data"

- (1)** If you repair or replace this Electronic Data Processing property within a reasonable time following the direct "loss", the property will be valued at the full cost of repair or replacement.

However, the most we will pay is the least of the following:

- (a)** The actual cost to repair or restore the property with materials of like kind and quality;
 - (b)** The cost of replacing that property with property of similar quality and function;
 - (c)** The amount you actually and necessarily spend to repair or replace the property; or
 - (d)** The Limit of Insurance applicable to the property.
- (2)** If you do not repair or replace this Electronic Data Processing Property within a reasonable time following a direct "loss", the most we will pay will be the least of the following:
- (a)** "Actual cash value" of the property;
 - (b)** "Actual cash value" of repairs with material of

like kind and quality; or

- (c)** The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in money.

In the event of direct "loss", the value of property will be determined at the time of direct "loss".

b. For "electronic data"

We will not pay more than the actual reproduction costs of your "electronic data". If you do not replace or reproduce your "electronic data" following the direct "loss", the most we will pay is the cost of blank media as described in Paragraph **O.(1)(e)** of this Coverage Extension.

(6) Electronic Data Processing Property Additional Definition

For this Coverage Extension only, the following definition is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**:

"Production equipment" means any machinery and related components, including any integrated or dedicated computer system, which is used, or can be used, to produce or process other tangible property.

The most we will pay for loss under **Electronic Data Processing Property** is the Business Personal Property Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** in any one occurrence. This does not act to increase the limit of insurance applicable to the damaged property.

P. Emergency Vacating Expenses

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Emergency Vacating Expenses

We will pay your actual and reasonable expenses to temporarily vacate the "premises", if vacating:

1. Is necessary to prevent additional physical injury or threatened physical injury to persons on "premises"; or
2. Is required by civil authority.

The **Emergency Vacating Expenses** only applies if there is actual or threatened direct "loss" to Covered Property by a Covered Cause of Loss.

The most we will pay for "loss" in any one occurrence is the **Emergency Vacating Expenses** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

Q. Employee Personal Effects

For this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, I. Personal Effects** is deleted in its entirety and replaced by the following:

Employee Personal Effects

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to employee personal effects.

1. Employee personal effects means: personal effects owned by you, your officers, or your partners, or if you are a limited liability company, your members or your managers, or your employees (including temporary and leased employees) and used exclusively by the individual owner for their own personal use or while used in your business "operations".
2. Personal effects include personally owned items such as laptops, cell phones and tools.
3. This coverage does not apply at a place of residence.
4. If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$1,000 per occurrence limitation for direct "loss" by theft.

The most we will pay for all "loss" in any one occurrence to **Employee Personal Effects** is the Limit of Insurance indicated in the Educational Institutions Schedule of Limits. We will not pay more than the \$25,000 for "loss" to employee personal effects belonging to any one employee in any one occurrence regard-

less of the number or types of personal effects lost or damaged.

R. Excess Limit Coverage

1. This Coverage Extension applies to the following coverages in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE:**

- a. Buildings (**1. Covered Property, a. Building**),
- b. Business Personal Property (**1. Covered Property, d. Business Personal Property**),
- c. Debris Removal (**4. Additional Coverages, b. Debris Removal**),
- d. Accounts Receivable (**5. Coverage Extensions, a. Accounts Receivable**),
- e. Outdoor Property (**5. Coverage Extensions, k. Outdoor Property**),

and to **Employee Personal Effects, Peak Season** and **Fine Arts** as described in this endorsement.

2. If covered "loss" exceeds the Limit of Insurance for one or more of the items listed in Paragraph **I.** of this Coverage Extension, we will pay for such excess loss as described in Paragraph **3.** of this Coverage Extension.
3. Regardless of the number of items incurring direct "loss", the most we will pay in any one occurrence for the Excess Limit Coverage is the lesser of:
 - a. 25% of the sum of the Limits of Insurance at scheduled "premises" for Buildings and Business Personal Property; or
 - b. \$500,000.

This Coverage Extension does not apply per location.
4. If the Excess Limit Coverage is used for Outdoor Property, the \$10,000 limitation for any one tree, plant, or shrub still applies.
5. The Excess Limit Coverage cannot be used:

- a. To reimburse any deductible; or
- b. For any building or business personal property that, at the inception date of the policy or most recent renewal period, does not satisfy **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance.**

S. Exhibitions, Fairs or Trade Shows

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs or Trade Shows** is deleted in its entirety and replaced by the following:

e. Exhibitions, Fairs or Trade Shows

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while on temporary public display, or while it is located at fairs, exhibitions, expositions or trade shows.
- (2) This Coverage Extension does not apply:
 - (a) While Covered Property is in transit to or from these temporary sites; or
 - (b) To property insured by any other coverage under this Coverage Part.

The most we will pay for "loss" in any one occurrence is the **Exhibitions, Fairs, or Trade Shows** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

T. Fences

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, f. Fences** is deleted in its entirety and replaced by the following:

f. Fences

If Buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to outdoor fences for which a Limit of Insurance is not shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** that are located within 2,000 feet of the "premises".

The most we will pay for "loss" in any one occurrence under **Fences** is the Building Limit of Insurance applicable to the Covered Property stated in the Commercial Property Coverage Part Declarations. This does not act to increase the limit of insurance applicable to the damaged property.

U. Fine Arts

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Fine Arts

1. We will pay for direct "loss" caused by a Covered Cause of Loss to paintings, etchings, pictures, tapestries, art glass windows and rare glass, valuable rugs, bronzes, marbles, porcelains, antique furniture and silver, rare silver, and other bona fide works of art of rarity, historical value, or artistic merit, including similar property of others on loan to you for exhibition.
2. For this Coverage Extension only, the following exclusions in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** are deleted:
 - (a) Exclusion (1)(b) **Earth Movement**; and
 - (b) Exclusion (1)(g) **Water**.
3. For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

We will determine the value of Covered Property in the event of "loss" as the market value at the time of "loss".

The most we will pay for "loss" in any one occurrence is the **Fine Arts** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits regardless of the number or types of fine arts damaged. We will not pay more than \$10,000 for any one item.

V. Fire Department Service Charge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, c. Fire Department Service Charge** is deleted in its entirety and replaced by the following:

Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, the most we will pay for direct "loss" is the **Fire Department Service Charge** Limit of Insurance indicated in the

Educational Institutions Schedule of Coverage Limits in any one occurrence for your liability, which is determined prior to direct "loss", for fire department service charges:

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

This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

W. Fire Protection Equipment Recharge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, d. Fire Protection Equipment Recharge** is amended as follows:

The last paragraph is deleted in its entirety and replaced by the following:

The most we will pay under **Fire Protection Equipment Recharge** is the actual cost you incur in any one occurrence to recharge your automatic fire suppression system or portable fire extinguishers. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

X. Fundraising Event Cancellation Business Income

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, 5. Coverage Extensions, b. Business Income and Extra Expense** is amended to include the following:

Fundraising Event Cancellation Business Income

We will pay for the actual loss of "Business Income" and Extra Expense you sustain due to the necessary cancellation of a scheduled fundraising event as a result of direct "loss" at the "premises" caused by or resulting from a Covered Cause of Loss.

This Coverage Extension will only apply if the fundraising event is not rescheduled within 120 days of the originally scheduled date.

The most we will pay for loss in any one occurrence is the **Fundraising Event Cancellation Business Income** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. The Limit of Insurance provided by this Coverage Extension does not apply per location.

Y. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage**, Paragraph (3) is deleted in its entirety and replaced by the following:

- (3) The coverage described under **g.(2)** of this Coverage Extension is limited to the **Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. Regardless of the number of claims, this limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of direct "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of the **Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a subsequent "coverage term".

Z. Harvested Crops

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Harvested Crops

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to grain, hay, straw, fruits, vegetables and other crops which have been harvested and are stored at your "premises".

The most we will pay for "loss" in any one occurrence is the **Harvested Crops** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage Extension does not apply per location.

AA. Inflation Guard

For the purposes of this endorsement only, the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** is amended to show "4%" in the **OPTIONAL COVERAGES - Inflation Guard** column for each scheduled Building Property. If an Inflation Guard percentage is already indicated on the **COMMERCIAL PROPERTY COVERAGE PART**

DECLARATIONS for that Building property, this 4% is excess of that Inflation Guard percentage for that Building property.

BB. Inventory or Appraisal

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, e. Inventory or Appraisal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Inventory or Appraisal** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

CC. Key and Lock Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGES, 4. Additional Coverage, f. Key and Lock Expense** is deleted in its entirety and replaced by the following:

f. Key and Lock Expense

- (1) If a key or master key to a building or structure covered by this Coverage Part is lost, stolen, damaged or otherwise compromised, we will pay for the lesser of the cost to:
 - (a) Re-key the lock;
 - (b) Install a new lock cylinder;
 - (c) Provide new master key; or
 - (d) Replace the existing lock with a new lock of like kind and quality.

The most we will pay for loss in any one occurrence is the **Key and Lock Expense** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

DD. Musical Instruments

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Musical Instruments

If Business Personal Property is a Covered Cause of Loss in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to musical instruments and related equipment and accessories that are your property or the property of others that is in your care, custody or control while:

- (1) At the "premises"; or
- (2) Away from the "premises" if it is temporarily at a location you do not own, lease, or operate.

This Coverage Extension does not apply to musical instruments and related equipment and accessories at exhibitions or fairs or in transit.

This Coverage Extension does not apply to "loss" by mysterious disappearance.

For this Coverage Extension only, the following exclusion in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is deleted:

(1) Exclusions (1)(g) Water.

The most we will pay for direct "loss" is the **Musical Instruments** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. This Coverage Extension does not apply per location.

EE. Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended as follows:

(1) Buildings

The last paragraph in this section is deleted in its entirety and replaced by the following:

The most we will pay for direct "loss" under Item **(1)(a)** of this Coverage Extension is \$1,000,000 for each building. The most we will pay for direct "loss" under Item **(1)(b)** of this Coverage Extension is \$2,000,000 for each building.

(2) Business Personal Property

The last paragraph in this section is deleted in its entirety and replaced by the following:

The most we will pay for direct "loss" to your Business Personal Property under

this Coverage Extension is \$1,000,000 at each building.

Item **(3)** under this Coverage Extension is deleted in its entirety and replaced by the following:

(3) Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a)** This policy expires.
- (b)** For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 180 days from the date you begin construction on that part of the building that would qualify as Covered Property; or
- (c)** For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1**, 180 days after your purchase or lease;
- (d)** For business personal property described in Paragraph **(2)(a)2**, 90 days from the effective date of the lease of the building space in the building; or
- (e)** You report values to us; or
- (f)** The property is specifically insured on this policy or elsewhere.

We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

FF. Ordinance or Law

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under Paragraph **(a) Loss of Use of Undamaged Parts of the Building** is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure sustaining "loss". This Coverage is included within, and not in addition to, that applicable Limit of Insurance.

The most we will pay for all loss in any one occurrence under Paragraph **(b) Demolition Costs** and Paragraph **(c) Increased Costs of Construction** is the Blanket Coverage Limit shown in the Educational Institutions

Schedule of Coverage Limits of this endorsement per building or structure sustaining "loss". This is an additional Limit of Insurance applicable to the building or structure sustaining "loss".

GG. Outdoor Property

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, k. Outdoor Property**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Outdoor Property** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits, but not more than \$10,000 for any one tree, shrub, or plant.

HH. Paved Surfaces

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages**, is amended to include the following:

Paved Surfaces

- (1)** We will pay for direct "loss" caused by a Covered Cause of Loss to bridges, roadways, walks, patios or other paved surfaces at a Building "premises" scheduled on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.
- (2)** For this Additional Coverage only, **SECTION A. COVERAGE, 2. Property Not Covered, i. Paved Surfaces** is deleted and replaced by the following:

i. Paved Surfaces

Bridges, roadways, walks, patios or other paved surfaces; except as provided in **SECTION A. COVERAGE, 4. Additional Coverages**.

- (3)** The most we will pay for "loss" under **Paved Surfaces** is the Building Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** in any one occurrence. This does not act to increase the limit of insurance applicable to the damaged property.

II. Peak Season

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

AGE, 5. Coverage Extensions is amended to include the following:

Peak Season

- (1) In the event that the limit of insurance stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property is insufficient to fully insure a covered "loss" due to a Peak Season Demand for your inventory, you may apply the Excess Limit Coverage as provided in Item **R.** of this endorsement to that "loss".
- (2) Peak Season Demand means a temporary (90 consecutive days or less) increase in your inventory to meet a seasonal demand as verified by:
 - (a) Your previous inventory records for that historical period of time; and
 - (b) Custom and practice in your industry.

JJ. Pollutant Clean Up and Removal

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, h. Pollutant Clean Up and Removal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for each "premises" during each "coverage term" is the **Pollutant Clean Up and Removal** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This limit includes the sum of all covered expenses arising out of Covered Causes of Loss. This is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

KK. Premises Boundary Increase

For the purposes of this endorsement only, any reference to 1,000 feet in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**,

1. **SECTION A. COVERAGE, 1. Covered Property, a. Building, (5)(b);**
2. **SECTION A. COVERAGE, 1. Covered Property, b. Outdoor Signs;**
3. **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property;**
4. **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (2) Limitations - Various Property for Specified Causes, (b), 1);**

5. **SECTION A. COVERAGE, 5. Coverage Extensions;**

6. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (1) Business Income;**

7. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (4) Alterations and New Buildings, (c); or**

is increased to 2,000 feet.

LL. Preservation of Property

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, i. Preservation of Property**, Item **i.(2)** is deleted in its entirety and replaced by the following:

- (2) Only if the direct "loss" occurs within the amount of days indicated in the Educational Institutions Schedule of Coverage Limits after the property is first moved.

MM. Property Off Premises

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, m. Property Off Premises** is deleted in its entirety and replaced by the following:

m. Property Off Premises

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Personal Property, including covered personal property of others, while it is away from the "premises" if it is:
 - (a) Temporarily at a location you do not own, lease, or operate; or
 - (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".
- (2) This Coverage Extension does not apply to Covered Property at exhibitions or fairs or in transit.
- (3) This Coverage Extension does not apply to laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories.

The most we will pay for "loss" is the **Property Off Premises** Limit of Insurance indicated in the Educational Institu-

tions Schedule of Coverage Limits in any one occurrence.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

NN. Prototypes

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Prototypes

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss, to "prototypes" related to your "research and development operations" that:
 - (a) You own; or
 - (b) Are owned by others and in your care, custody or control;
 while at a described "premises".
- (2) We will not pay for "loss" to "prototypes" until you actually replicate such property. Repairs or replication must be made as soon as reasonably possible after the "loss" but in no event later than two years after the "loss" or damage unless we grant an extension in writing prior to the expiration of the two year period.
- (3) This coverage is included within the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered Business Personal Property. This does not increase the Limit of Insurance.

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. Definitions** is amended to include the following:

"Prototype" means an original version of a newly designed product that is an outcome of your "research and development operations". A "prototype" includes sample designs, experimental models or displays that are associated with or integral to the manufacture of the original version of a newly designed product.

"Research and development operations" means your business activities that are directly related to the development of new products or the enhancement of existing products.

OO. Research and Development Documentation

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Research and Development Documentation

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss, to "research and development documentation" that you own or that is in your care, custody or control at a described "premises".
- (2) For this Coverage Extension only, the following exclusions in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** do not apply, except for:
 - (a) Exclusion (1)(c) Governmental Action;
 - (b) Exclusion (1)(d) Nuclear Hazard;
 - (c) Exclusion (1)(f) War and Military Action;
 - (d) Exclusion (1)(h) Dishonest or Criminal Acts;
 - (e) Exclusion (1)(i) Voluntary Parting under False Pretense; and
 - (f) Paragraph (3)
- (3) This Coverage Extension does not apply to loss or damage caused by or resulting from:
 - (a) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - 1) Programming errors or faulty machine instructions; or
 - 2) Faulty installation or maintenance of data processing equipment or component parts.
 - (b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the direct loss or damage caused by the fire or explosion;
 - (c) Erasure of "research and development documentation"; or
 - (d) Unauthorized instructions to transfer property to any person or place.

- (4) Coverage provided by this Extension does not apply to "research and development documentation" which exist as "electronic data".
- (5) We will not pay for direct "loss" to "research and development documentation" until you actually replicate such documentation. Repairs or replication must be made as soon as reasonably possible after the direct "loss", but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two-year period.
- (6) We will not pay for direct "loss" to "research and development documentation" applicable to:
 - (a) Products that are obsolete;
 - (b) Existing products you have withdrawn from the market; or
 - (c) Existing products you have not sold in the last twelve months prior to the "loss".
- (7) Regardless of the number of insured locations involved, the most we will pay for "loss" is the **Research and Development Documentation** Limit of Insurance indicated in the Educational Institutions schedule of Coverage Limits in any one occurrence at a "premises".

PP. Rewards

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, j. Rewards** is deleted in its entirety and replaced by the following:

j. Rewards

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered direct "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for loss is the **Rewards** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

QQ. Signs

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, n. Signs**, the second paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" is the **Signs** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence.

RR. Stamps, Tickets, and Gift Cards

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (3) Limitation - Personal Property Theft, Paragraph (d)** is deleted in its entirety and replaced by the following:

- (d) The Limit of Insurance referenced in the Educational Institutions Commercial Property Endorsement Schedule of Coverage Limits for stamps, tickets, including lottery tickets held for sale, gift cards held for sale, and letters of credit.

The most we will pay for "loss" in any one occurrence for Item (d) is the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

SS. Students Personal Effects

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Personal Effects** is deleted in its entirety and replaced by the following:

Students Personal Effects

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by your students at your "premises". This coverage does not apply to direct "loss" by theft or mysterious disappearance.

The most we will pay for "loss" is the **Students Personal Effects** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. We will not pay more than \$5,000 for "loss" to student personal effects belonging to any one student in any one occurrence regardless of the number or types of personal effects lost or damaged.

TT. Temperature Change

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Temperature Change

(1) Coverage

- (a) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property** is deleted in its entirety and replaced by the following:

Covered Property means "perishable stock" located in a building at a "premises".

- (b) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is deleted in its entirety and replaced by the following:

2. Property Not Covered

Covered Property does not include:

"Perishable Stock" Not in Buildings

This coverage extension does not apply to "perishable stock" located on buildings, in or on vehicles, or otherwise in the open.

(2) Covered Causes of Loss

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

(a) Covered Causes of Loss

Covered Causes of Loss means direct "loss" from "temperature change" to "perishable stock" unless direct "loss" is:

- (1) Excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions**; or
- (2) Limited in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations**.

(3) Excluded Causes of Loss

- a. For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- (1) **Exclusion (1)(b) Earth Movement**;
- (2) **Exclusion (1)(c) Governmental Action**;
- (3) **Exclusion (1)(d) Nuclear Hazard**;
- (4) **Exclusion (1)(f) War and Military Action**;
- (5) **Exclusion (1)(g) Water**; or
- (6) **Exclusion (1)(h) "Fungi", Wet Rot, Dry Rot, and Bacteria**.

- b. In addition to Paragraph 3.a. of this Coverage Extension, we will not pay for direct "loss" caused by or resulting from any of the following:

- (1) The disconnecting of any heating, refrigerating, cooling or humidity control system from the source of its power;
- (2) The deactivation of electrical power caused by the manipulation of any switch or other device (on "premises") 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 "premises" to provide sufficient power due to the lack of generating capacity to meet demand; or
- (5) Breaking of any glass that is a permanent part of any heating, refrigeration, cooling or humidity control unit.

(4) Limits of Insurance

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION B.**

LIMITS OF INSURANCE is deleted in its entirety and replaced by the following:

SECTION B. LIMITS OF INSURANCE

- a. The most we will pay for all loss in any one occurrence including any applicable "Business Income" and Extra Expense is the **Temperature Change** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.
- b. The **Temperature Change** Limit of Insurance is not an additional amount of insurance and will not increase the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property or "stock".

(5) Duties in the Event of Loss

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties in the Event of Loss or Damage, a.(2)** is deleted in its entirety and replaced by the following:

- (2) All claims under this "**Temperature Change**" Coverage Extension should be reported immediately upon occurrence. Include a description of the damaged "stock". All damaged "stock" must be available for inspection and verification.

(6) Definitions

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

1. "Perishable stock" means personal property:
 - a. Preserved and maintained under controlled conditions; and
 - b. Susceptible to direct "loss" if the controlled conditions change.
2. "Temperature change" means:
 - a. The fluctuation or total interruption of electrical power, either on or off "premises", resulting from conditions beyond your control.
 - b. Mechanical breakdown of any refrigerating or cooling apparatus or equipment (on "prem-

ises") including the blowing of any fuse, fuses, or circuit breakers.

- c. Contamination by refrigerant.
- d. The freezing of "perishable stock" resulting from the faulty operation of any stationary heating plant, when such "perishable stock" is contained within a building at the "premises".

UU. Trailers (Nonowned Detached)

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Trailers (Nonowned Detached)** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

VV. Transportation

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extension, p. Transportation** is amended by replacing the second paragraph with the following:

The most we will pay for "loss" in any one occurrence is the **Transportation** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

WW. Underground Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Underground Property

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:
 - (a) Foundations of covered buildings, structures, machinery or boilers, if their foundations are below the lowest basement floor or the surface of the ground if there is no basement; and
 - (b) Underground pipes, flues or drains if they are attached to Covered Property.

- (2) For this Coverage Extension only, **SECTION A. COVERAGE, 2. Property Not Covered, g. Foundations** is deleted in its entirety and replaced by the following:

g. Foundations

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;

except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

- (3) For this Coverage Extension only, **SECTION A. COVERAGE, 2. Property Not Covered, n. Underground Pipes, Flues or Drains** is deleted in its entirety and replaced by the following:

n. Underground Pipes, Flues or Drains

Underground pipes, flues or drains, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

- (4) The most we will pay for "loss" in any one occurrence under **Underground Property** is the Building Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**. This does not act to increase the limit of insurance applicable to the damaged property.

XX. Unintentional Error in Description

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended to include the following:

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

YY. Unnamed Locations

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Unnamed Locations

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to your property or property of others that is in your care, custody or control but is not at a "premises", but located within the Coverage Territory.

(2) Special Unnamed Locations Exclusions

This Coverage Extension does not apply to:

- (a) "Loss" caused directly or indirectly by flood or earthquake, even when these Causes of Loss are added to this policy by endorsement.
- (b) "Loss" covered under the following Additional Coverages or Extensions:
 - (i) Exhibitions, Fairs or Trade Shows;
 - (ii) Property Off Premises; or
 - (iii) Transportation
- (c) Any property that is covered under this Coverage Part or policy, or any other policy, whether collectible or not.

- (3) The most we will pay for "loss" is the **Unnamed Locations** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence, regardless of the number of unnamed locations.

ZZ. Unscheduled Appurtenant Buildings, Structures and Equipment

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended by adding the following:

Unscheduled Appurtenant Buildings, Structures and Equipment

- (1) If Buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to your unscheduled appurtenant buildings, structures and equipment.

Unscheduled appurtenant buildings, structures and equipment include:

- (a) Baseball dugouts;
- (b) Bleachers and grandstands;
- (c) Flagpoles, light poles;

- (d) Picnic pavilions;
- (e) Playground equipment;
- (f) Press boxes;
- (g) Refreshment stands;
- (h) Scoreboards;
- (i) Storage buildings; and
- (j) Ticket booths.

The most we will pay for "loss" under **Unscheduled Appurtenant Buildings, Structures and Equipment** is the Building Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** including debris removal expense, in any one occurrence. This Coverage Extension does not apply per location.

- (2) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property while in any unscheduled building or structure covered under this Coverage Extension. This coverage does not apply to direct "loss" by theft or mysterious disappearance.

The most we will pay for "loss" for the described unscheduled contents under **Unscheduled Appurtenant Buildings, Structures and Equipment** is the Business Personal Property Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** in any one occurrence. This Coverage Extension does not apply per location.

AAA. Utility Services

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services** is deleted in its entirety and replaced by the following:

q. Utility Services

We will pay for:

- (1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and
- (2) Loss of "Business Income" and Extra Expense you sustain including the insurance provided in **SECTION A. COVERAGE, 5. Coverage Ex-**

tensions, b. Business Income and Extra Expense

caused by or resulting from the partial or complete failure of the utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

- (1) Power Supply Services, meaning the following types of property supplying electricity, steam or natural gas to the "premises":
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission, distribution, service, or similar lines, including all such overhead lines of any type.
- (2) Water Supply Services, meaning the following types of property supplying water to the "premises":
 - (a) Pumping stations; and
 - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "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 Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Services, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular, or satellite network; telephone, radio, microwave, or television services to the "premises", such as:
 - (a) Communication transmission, distribution, service, or similar lines, including fiber optic lines, including all such overhead lines of any type;

- (b) Coaxial cables; and
 - (c) Microwave radio relays, excluding satellites.
- (5) This Coverage Extension does not apply to direct "loss" to "electronic data", including destruction or corruption of "electronic data".
- (6) When direct "loss" from the partial or complete interruption of utility services to a "premises" is caused by direct "loss" to overhead communication transmission, distribution, service, or similar lines, including fiber optic lines, including all such overhead lines of any type:
- (a) The most we will pay for direct "loss" and loss of "Business Income" and Extra Expense is \$5,000 in any one occurrence. This Limit of Insurance is part of, not in addition to, the Limit of Insurance provided by this Coverage Extension; and
 - (b) For this Paragraph (6) only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS, 11. "Period of restoration"**, Paragraph a. is deleted in its entirety and replaced by the following:
 - a. Begins:
 - (1) 24 hours after the time of direct "loss" for "Business Income" Coverage; or
 - (2) Immediately after the time of direct "loss" for Extra Expense Coverage.

The most we will pay for "loss" in any one occurrence is the **Utility Services** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

BBB. Valuable Papers and Records

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Valuable Papers and Records** Limit of Insurance indicated in the Edu-

cational Institutions Schedule of Coverage Limits.

CCC. Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

We will pay for direct "loss" to your Covered Property and loss of "Business Income" and Extra Expense caused by water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain, septic or sump pump system or related equipment.

- (1) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water, 3)** is deleted in its entirety and replaced by the following:
 - 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic or sump pump system or related equipment, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**.
- (2) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water, 5)** is deleted in its entirety and replaced by the following:
 - 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2), except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**.
- (3) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

We will not pay for direct "loss" in any one occurrence caused by water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain, septic or sump pump system or related equipment, until the amount of direct "loss" exceeds the Deductible shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, or \$1,000, whichever is greater. We will then pay the amount of direct "loss" in excess of that deductible, up to the applicable limit indicated in Paragraph (4) of this extension.

- (4) The most we will pay for loss in any one occurrence is the **Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for all direct "loss", loss of "Business Income", "Rental Value", and Extra Expense.

DDD. Water Under the Ground Surface

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Water Under the Ground Surface

- (1) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water, 4)** is deleted in its entirety and replaced by the following:
- 4) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Under the Ground Surface**, water under the ground surface pressing on, flowing or seeping through:
- a) Foundations, walls, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.
- (2) We will pay for direct "loss" to your Covered Property caused by a Covered Cause of Loss from water under the ground surface pressing on, flowing or seeping through:
- (a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

- (3) If there is a covered direct "loss" to which this Coverage Extension applies, 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 waterborne material escapes.

We will not pay the cost to repair any defect to a system or appliance from which water escapes. However, this paragraph does not apply to "Business Income" coverage or to Extra Expense coverage.

The most we will pay for loss including any applicable "Business Income" and Extra Expense in any one occurrence is the **Water Under the Ground Surface** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

EEE. Windblown Debris

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Windblown Debris

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property to pay the expense you incur to remove windblown debris from your "premises" that comes from premises of others and occurs during the "coverage term".

The most we will pay for direct "loss" is the **Windblown Debris** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. **Windblown Debris** does not apply per location.

- FFF. **Worldwide Laptop Coverage** For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Worldwide Laptop Coverage

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including your laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories, while such specific Covered Property is:

- 1) In your or your employee's care, custody and control;

- 2) Not located at a "premises" you own or lease; and
- 3) Not located in the coverage territory stated in Paragraph 2. Of the Commercial Property Condition **H. POLICY PERIOD, COVERAGE TERRITORY**, provided that location is not under a United States Department of State trade or travel restriction at the time of direct "loss".

The most we will pay for all "loss" is the **Worldwide Laptop Coverage** Limit of

Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. We will not pay more than the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for any one item in any one occurrence. This limit is included within the other limits provided by this Electronic Data Processing Property Coverage Extension.

This **Worldwide Laptop Coverage** does not apply per location.

CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

The provisions of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** 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.

SCHEDULE

Coverage	Limits of Insurance	Deductible or Waiting Period
A. Crisis Event Response Communication Expense	\$100,000	None
B. Post Crisis Event Expense	\$100,000	None
C. Crisis Event Business Income and Extra Expense	\$100,000	24 hours waiting period applies to Business Income. No waiting period applies to Extra Expense
	Annual Aggregate Limit: \$ <input checked="" type="checkbox"/> No Annual Aggregate Limit applies when this box is checked.	

A. Crisis Event Response Communication Expense

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages is amended to include the following:

Crisis Event Response Communication Expense

We will pay your "crisis event response communication expense" resulting from a "covered crisis event" at your "covered location" for sixty (60) consecutive days after a "covered crisis event" occurs. Payment of all loss covered under this Additional Coverage shall not exceed the Limit of Insurance shown in the Schedule for Coverage **A. Crisis Event Response Communication Expense**.

B. Post Crisis Event Expense

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages is amended to include the following:

Post Crisis Event Expense

We will pay your "post crisis event expense" resulting from a "covered crisis event" at your "covered location". Payment under this Additional Coverage will begin immediately after the "covered crisis event" and apply for up to sixty (60) consecutive days but will not exceed the Limit of Insurance shown in the Schedule for Coverage **B. Post Crisis Event Expense**.

C. Crisis Event Business Income and Extra Expense

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense is amended as follows for this endorsement only:

Crisis Event Business Income and Extra Expense

For **Crisis Event Business Income and Extra Expense** only, Paragraphs (1) and (2) are deleted in their entirety and replaced by the following:

(1) Crisis Event Business Income and Extended Business Income

(a) Crisis Event Business Income

We will pay for the actual loss of "crisis event business income" you sustain due to the necessary "suspension" of your "operations" during the "crisis event period of restoration". The "suspension" must be caused by or result from a "covered crisis event" at your "covered location". This coverage will begin after the Waiting Period shown in Item **C**. of the Schedule and end the earlier of:

- 1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no "covered crisis event" occurred; or
- 2) Sixty (60) consecutive days after the "covered crisis event" occurred.

(b) Extended Business Income

If the necessary "suspension" of your "operations" caused by or resulting from a "covered crisis event" produces a "crisis event business income" "loss" payable under this endorsement, we will pay for the actual loss of "crisis event business income" you incur during the period that:

- 1) Begins on the date "operations" are resumed or tenability of your "covered location" is restored; and
- 2) Ends on the earlier of:
 - a) The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed had no "covered crisis event" occurred; or
 - b) The date you could restore tenant occupancy, with reasonable speed, to a level that would have generated the "rental value" that would have existed if the "covered crisis event" had not occurred; or
 - c) Thirty (30) consecutive days after the date determined in **(b)1)** above.

Crisis Event Business Income and Extended Business Income do not apply to loss of "Business Income" or loss of "rental value" incurred as a result of unfavorable business conditions caused by the impact of the "covered crisis event" in the area where the described "premises" are located.

(2) Crisis Event Extra Expense

(a) We will pay "crisis event extra expense" you incur during the "crisis event period of restoration" caused by or resulting from a "covered crisis event" to:

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

(b) We will not pay for the cost to repair or replace property.

(c) This coverage will end the earlier of:

- 1) The date your "operations" are restored to a condition similar to that which would have existed had there been no "covered crisis event"; or
- 2) Sixty (60) consecutive days after the "covered crisis event" occurs.

The most we will pay for all loss covered under the Crisis Event Business Income and Extra Expense Coverage shall not exceed the Limit of Insurance shown in the Schedule for Coverage **C. Crisis Event Business Income and Extra Expense**. The Limit of Insurance applies regardless of the number of "covered locations" affected.

D. Exclusions

1. Exclusions Deleted for Crisis Event Expense Coverage Endorsement

The following Exclusions from the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** are deleted but only as respects to the coverage provided by this **CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT**. Otherwise, all Exclusions continue to apply to all other "loss" claimed under this policy unless specifically stated otherwise.

- a. "Fungi", Wet Rot, Dry Rot, and Bacteria
- b. Dishonest or Criminal Acts
- c. Acts or Decisions

2. **Additional Exclusions Applicable to Crisis Event Expense Coverage Endorsement**

In addition to any other Exclusions which apply to this policy, the following Exclusions apply only to this **CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT**. We will not pay for loss caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. **Any Loss Not Specifically Covered Under the Definition of Covered Crisis Event**

Any loss or consequential loss that is not specifically covered under the definition of a "covered crisis event".

b. **Illegal or Criminal Acts**

Illegal, dishonest or criminal acts by you or any of your partners, directors, officers, trustees, employees (including leased or temporary workers), authorized representatives or if you are a limited liability company, your members or your managers:

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

c. **Third Party Bodily Injury or Property Damage**

Any claim or suit by a third party for bodily injury or property damage including defense costs related to bodily injury or property damage, except for those expenses which are specifically provided as a "post crisis event expense".

d. **Communicable Disease or Virus**

Except as provided as a "covered communicable disease" in item **H.2.b. Premises Contamination**, this endorsement does not apply to any loss directly or indirectly caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. This Exclusion applies to, but is not limited to, any loss directly or indirectly at-

tributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may cause global outbreak, or pandemic, or serious illness.

e. **Fines or Penalties**

Fines or penalties levied against you by a Board of Health or any other governmental authority.

f. **Perpetrator**

Any cost, loss or expense incurred directly or indirectly by any person, or the family or associates of such person, who directly or indirectly instigated, funded, threatened, perpetrated, participated in or otherwise supported the "covered crisis event" or who supported any activities leading to the "covered crisis event".

g. **Ransom**

Any cost, loss, expense or payment of ransom or reward, directly or indirectly, to actual or alleged perpetrators causing or threatening to cause a "covered crisis event".

E. **Annual Aggregate Limit of Insurance**

The Annual Aggregate Limit shown in the Schedule is the most we will pay under this endorsement for all covered loss sustained in the "coverage term", regardless of the number of "covered crisis events" and the number of "covered locations" involved. If a loss payment does not exhaust this amount, then the balance is available for subsequent loss sustained during the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to a "covered crisis event" which begins in the "coverage term" and continues or results in additional loss in a subsequent "coverage term", all loss is deemed to be sustained in the "coverage term" in which the "covered crisis event" began.

F. **Loss Conditions**

The **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS** apply to the coverages provided by this

endorsement. The following Loss Conditions are amended as described below, but only with respect to the coverages provided by this endorsement.

1. Appraisal

If we and you disagree on the amount of the Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. Each party will then select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or 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.

2. Duties in the Event of Loss

- a. In the event of a "covered crisis event" you must:

- (1) Notify law enforcement if a law may have been broken.
- (2) Notify us of any "covered crisis event" or any event that is likely to lead to a "covered crisis event" within forty-eight (48) hours of first becoming aware of the event. Notification does not guarantee that a "covered crisis event" has occurred.
- (3) Provide a written notification, at our request, immediately after the verbal notification. The written notification shall include:
 - (a) A description of how, when and where the "covered crisis event" occurred or is occurring;
 - (b) Name, address and other pertinent information, including the cause, nature, location and extent of injury to any injured persons;
 - (c) Name, address and other pertinent information of any witnesses to the event;

- (d) Nature and location of any physical damage to the "premises"; and
- (e) Response activities undertaken by you, emergency responders or others.

- (4) Take all reasonable steps to protect persons from further harm and to protect property from further damage and keep a record of your expenses necessary to do so for consideration in the settlement of the claim. If feasible, set the damaged property aside and in the best possible order for examination. This will not increase your Limit of Insurance as shown in the Schedule for Crisis Event Expense Coverage. However, we will not pay for any subsequent loss resulting from other than a "covered crisis event".

- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and permit us to 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.

- (6) Submit 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.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- (9) Allow us to examine any insured under oath, outside 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.

3. Loss Determination

- a. The amount of "crisis event business income" loss will be determined based on:

- (1) The Net Income of the business before the "covered crisis event" occurred;
- (2) The likely Net Income of the business if no "covered crisis event" had occurred, but not including any Net Income that would 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 crisis event" on customers or other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the "covered crisis event"; 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 "crisis event extra expense" will be determined based on:

- (1) All necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "crisis event period of restoration" if no "covered crisis event" 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 "crisis event period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the "crisis event business in-

come" loss that otherwise would have been incurred.

- c. Resumption of Operations

We will reduce the amount of your:

- (1) "Crisis event business income" loss, other than "crisis event extra expense", to the extent you can resume your "operations", in whole or in part, at the affected "covered location" or elsewhere;
 - (2) "Crisis event extra expense" loss to the extent you can return "operations" to normal and discontinue such "crisis event 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.
- e. The amount of "crisis event response communication expense" loss will be determined based on the additional expenses incurred by you to manage your organization's communications to your employees, shareholders, customers, government authorities, news media and other members of the public after the "covered crisis event".

4. Loss Payment

We will pay for "covered crisis event" within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this endorsement, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

G. Additional Conditions

The **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS** apply to the coverages provided by this endorsement. The following Conditions are amended but only with respect to the coverages provided by this endorsement.

1. Coinsurance

The Coinsurance Additional Condition does not apply.

2. Deductibles

Policy deductibles do not apply to the coverage provided by this endorsement other than the Waiting Period shown in

the Schedule of Coverages applicable to "crisis event business income".

3. Other Insurance

If there is other insurance covering the same loss under this policy or any other policy, we will pay only the amount of the covered loss in excess of the amount due from the other insurance, whether collectible or not. If the other insurance covers the same loss but includes a higher deductible, we will pay for the difference between the deductible applicable to the coverage in this endorsement and that other coverage. As it pertains to this endorsement, other insurance includes the insurance coverage or noninsurance services provided by an employer's employee assistance plan or similar service. Regardless of other insurance, we will not pay more than the applicable Limit of Insurance shown in the Schedule for this endorsement.

4. Loss or Damage Covered by this Endorsement

Loss or damage by a "covered crisis event" only applies to the coverage provided specifically by this endorsement. "Covered crisis event" does not apply to any other insurance provided by this policy, including but not limited to any coverage for Business Income and Extra Expense. A "covered crisis event" is not a Covered Cause of Loss in any Coverage Form unless specifically added by another endorsement as a Covered Cause of Loss to that Coverage Form.

H. Definitions

The following definitions apply in addition to **SECTION G. DEFINITIONS** but only with respect to the coverages provided by this endorsement.

1. "Covered communicable diseases" means any disease or any related or resulting diseases, viruses, complexes, symptoms, manifestations, effects, conditions or illnesses, except this endorsement does not apply to any "loss" directly or indirectly attributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may

cause global outbreak, or pandemic, or serious illness.

2. "Covered crisis event" means the following:

a. Violent Act

A malicious act, attempt or threat committed on your "premises" against any person that results in physical injury or death to such person or an innocent bystander. This includes the direct "loss" or damage to your "premises" or the property of others on your "premises" resulting from such act, attempt or threat. This does not include such acts, attempts or threats committed by you or by any of your partners, directors, officers, trustees, employees (including leased or temporary workers), authorized representatives or if you are a limited liability company, your members or your managers. Any such act, attempt or threat must be determined to have been credible.

b. Premises Contamination

The necessary closure of all or part of your "covered location" due to any sudden, accidental and unintentional contamination or impairment of the "covered location" which results in clear, identifiable, internal or external visible symptoms of bodily injury, illness or death of any person. This includes "covered locations" contaminated by a "covered communicable disease" or Legionnaires' disease, but it does not include "covered locations" contaminated in whole or in part by other "pollutants", "fungi" or bacteria except as provided by "covered communicable disease".

c. Contaminated Food

- 1) The necessary closure of all or part of your "covered location" ordered by a Board of Health or any other governmental authority as a result of the discovery or belief that contaminated food or drink has been served to patrons at your "covered location".
- 2) The necessary announcement by you, the Board of Health or any other governmental authority warning the public of a health hazard at your "covered location" because of the discovery or verified belief that contaminated food or drink has been served to your patrons.

d. Child Abduction or Kidnap

A felony act, attempt or threat to unlawfully seize and detain a person under the age of sixteen (16) from your "covered location" by someone other than the person's parent or guardian. Any such act, attempt or threat must be determined to have been credible.

e. Stalking

A felony act, attempt or threat by a person directed at one or more of your employees or customers, while on your "covered location", who expresses or implies a credible intent to place your employee or customer in reasonable fear of death or serious bodily harm.

f. Sexual Assault

A felony act, attempt or threat of sexual assault that is directed at one or more persons while on your "covered location". Any such act, attempt or threat must be determined to have been credible.

g. Criminal Use of a Firearm

A felony act, attempt or threat that involves the unlawful use of a firearm or device designed to cause harm or damage while on your "covered location". Any such act, attempt or threat must be determined to have been credible.

h. Other Emergency Events

When any of the following events occur at your "covered location" and result in injury or damage causing significant regional or national news media coverage of you or your "operations":

- 1) Fire or explosion;
- 2) Construction accident;
- 3) Equipment failure; or
- 4) Workplace accident.

3. "Covered location" means that part of a "premises" you occupy, including the area within 1,000 feet thereof. If you have more than one "covered location", the term "covered location" means only the location at which the "covered crisis event" occurred.

4. "Crisis event business income" means the:

- a. Net income (net profit or loss before income taxes), including "Rental Value", that would have been earned or incurred before the "covered crisis event"; and

- b. Continuing normal operating expenses incurred, including payroll.

5. "Crisis event extra expense" means necessary expenses you incur during the "crisis event period of restoration" that you would not have incurred if there had been no "covered crisis event" at your "covered location".

6. "Crisis event period of restoration" means the period of time that:

- a. Begins:

- 1) After the Waiting Period shown in Item **C.** of the Schedule for "crisis event business income" following the date of the "covered crisis event" at your "covered location"; or

- 2) Immediately on the date of the "covered crisis event" at your "covered location" for "crisis event extra expense"; and

- b. Ends on the earlier of the date when, using reasonable speed, "operations" at your "covered location" should be returned to the condition that would have existed had the "covered crisis event" not occurred.

7. "Crisis event response communication expense" means:

- a. Reasonable fees and expenses you necessarily incur after a "covered crisis event" occurs for the services of a public relations or similar professional crisis management organization to assist or advise you in order to minimize negative publicity and restore or otherwise positively communicate the image of your "operations"; and

- b. The reasonable additional expense you necessarily incur after a "covered crisis event" occurs above your normal expenses to minimize negative publicity and restore or otherwise positively communicate the image of your "operations";

- c. Any expense incurred for services beyond sixty (60) consecutive days after a "covered crisis event" occurs is not covered by this endorsement.

8. "Fungi" means any type or form of fungus, and includes, but is not limited to, any

form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi. However, "fungi" does not include "fungi" on food for human consumption.

9. "Operations" means:

- a.** Your business activities occurring at the "covered location"; and
- b.** The ability to rent your "premises" for "rental value".

10. "Post crisis event expense" means reasonable and necessary expenses incurred by your employees, customers or other persons:

- a.** Who were physically on your "covered location" at the time and at the specific location where the "covered crisis event" occurred; and
- b.** Who suffered physical harm or other medically-based harm directly due to the "covered crisis event" that results in:
 - 1)** First aid or emergency care at the time of the "covered crisis event";
 - 2)** Medical treatment;
 - 3)** Professional psychological counseling or other necessary professional mental health treatment;
 - 4)** Ambulance or transportation costs to and from a local provider of such treatments; or

5) Funeral and burial expenses for those persons who died as a result of the "covered crisis event".

Coverage applies only to those whose treatment or expense arises directly from the "covered crisis event".

All covered treatments and expenses must take place within sixty (60) consecutive days after the "covered crisis event" occurred.

11. "Rental value" means "Business Income" that consists of:

- a.** Net income (net profit of loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "covered location" as furnished and equipped by you, including fair rental value of any portion of the "covered location" which is occupied by you; and
- b.** Continuing normal operating expenses incurred in connection with that "covered location", including:
 - 1)** Payroll; and
 - 2)** The amount of charges which are the legal obligation of the tenants but would otherwise be your obligations.

12. "Suspension" means:

- a.** The slowdown or cessation of your business activities; or
- b.** That part or all of the "covered location" is rendered untenable.



THE BRIDGE ENDORSEMENT

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THE BRIDGE ENDORSEMENT

BRIDGE SCHEDULE OF COVERAGE LIMITS

<u>Coverages:</u>	<u>Limit of Insurance:</u>
Business Travel Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Security	\$50,000
Emergency Travel Expense	\$50,000
Fundraising Event Cancellation Expense	\$25,000
Image Restoration and Counseling Expense	\$50,000
Key Individual Replacement Expense	\$50,000
Kidnap Expense	\$50,000
Lease Assessment	\$2,500
Leasehold Improvements	\$25,000
Political Unrest Evacuation Expense	\$25,000 (\$5,000 per employee)
Temporary Meeting Space Expense	\$25,000
Travel Delay Expense	\$1,500
Unauthorized Business Card Use	\$1,500
Workplace Violence Counseling Expense	\$50,000

Deductible:

\$500.00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THE BRIDGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

SECTION I - COVERAGES

A. Business Travel Benefit

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Business Travel Benefit

1. We will pay you the business travel benefit if your current "director or officer" while occupying, as a fare-paying passenger, a public conveyance provided and operated by a commercial transportation carrier for regular passenger service by land, water, or air suffers "injury" while traveling for purposes related to your business pursuits during the "coverage term".
2. We will not pay business travel benefit for "injury" caused directly or indirectly by any of the following:
 - a. An intentional injury by the insured, "director or officer" or decedent;
 - b. An act of suicide or attempted suicide by the insured, "director or officer" or decedent;
 - c. An act of war; or
 - d. A disease process the insured, "director or officer" or decedent was diagnosed with prior to the suffered "injury" for which coverage under this Coverage Extension is sought.
3. For **Business Travel Benefit** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**, is amended to include the following:

"Injury" means:

- a. Accidental loss of life caused by physical injury to the body;
- b. Accidental loss of limbs or multiple fingers; or
- c. Accidental total loss of sight, speech or hearing.

The "injury" outlined in Paragraphs **a.**, **b.**, and **c.** above must physically occur to the current "director or officer".

4. For **Business Travel Benefit** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**, is amended to include the following:

"Director or officer" means that particular current director or current officer for which coverage under this Coverage Extension is sought.

The most we will pay for all "injury" under **Business Travel Benefit** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

B. Conference Cancellation

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Conference Cancellation

1. We will reimburse the insured for any "business-related conference expense" incurred and not reimbursed by any other source as the result of a cancellation of a conference or convention. The cancellation must be the direct result of an order made by a civil authority responding to a "natural catastrophe" or to a "communica-

ble disease" outbreak during the "coverage term".

2. For **Conference Cancellation** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

- a. "Business-related conference expense" means those expenses incurred by you for your employee(s) scheduled to attend a conference or convention provided that the employee(s) was (were) registered for the conference or convention at least 30 days prior to the conference's or convention's cancellation.
- b. "Communicable disease" means any disease or any related or resulting diseases, viruses, complexes, symptoms, manifestations, effects, conditions or illnesses, except this endorsement does not apply to any "loss" directly or indirectly attributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may cause global outbreak, or pandemic, or serious illness.
- c. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

The most we will pay for all "business related conference expense" under **Conference Cancellation** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

C. Donation Security

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Donation Security

1. We will reimburse you for a "failed donation" incurred and not reimbursed by any other source.

2. For non-cash donations, the value of the "failed donation" will be determined based on the fair market value of the non-cash item at the time of the "failed donation".
3. For **Donation Security** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

"Failed donation" means notice to the insured during the "coverage term" of:

- a. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a written pledge, made during the "coverage term", of funds or other measurable, tangible property to the insured provided that the donor has never been in bankruptcy or filed for bankruptcy/reorganization prior to the time the donor's pledge was made to you; or
- b. The unemployment or "incapacitation" of an individual donor during the "coverage term" preventing the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured provided that, if the donor is an individual who becomes unemployed or "incapacitated":
 - (1) Neither you nor the donor shall have had reason to believe the donor would become unemployed or "incapacitated" prior to the donation date;
 - (2) The individual donor is unemployed or "incapacitated" for at least 60 days before payment is made by the Company; and
 - (3) There is a written pledge of funds or other measurable, tangible property dated during the "coverage term".

4. For **Donation Security** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

"Incapacitated or incapacitation" means a person who is impaired by physical injury, physical illness, or physical disability. The cause of the physical injury, physical illness or physical disability must be accidental.

5. A donation amount which is to be collected by you over a period of more than 12 months will be deemed a single donation.

The most we will pay for all "failed donations" under **Donation Security** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

D. Emergency Travel Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Emergency Travel Expense

1. We will reimburse the reasonable "emergency travel expense", while traveling for purposes related to your business pursuits during the "coverage term", incurred by your current director or officer and necessitated by a "certified act of terrorism" which:
 - a. Occurs during the "coverage term"; or
 - b. Begins to occur during the "coverage term".
2. For **Emergency Travel Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Emergency travel expense" means:
 - (1) Hotel expense incurred, and not reimbursed by any other source, as the result of the cancellation of scheduled transportation by a commercial transportation carrier for regular passenger service by land, water, or air. The cancellation must occur within forty-eight hours of a "certified act of terrorism"; and
 - (2) The increased amount incurred and not reimbursed by any other source for air or train fare resulting from cancelling and re-scheduling a form of transportation to replace a similarly scheduled form of transportation canceled by a commercial transportation carrier.
 - b. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance 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 of affect the conduct of the United States Government by coercion.

The most we will pay for all emergency travel expenses under **Emergency Travel Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

E. Fundraising Event Cancellation Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Fundraising Event Cancellation Expense

1. We will reimburse you for fundraising event related expense incurred, and not reimbursed by any other source, due to the cancellation of a fundraising event. However:
 - a. The canceled fundraising event must not be rescheduled within the "coverage term"; and
 - b. The fundraising event cancellation must be the direct result of an order made by a civil authority responding to a "natural catastrophe" or a "communicable disease" outbreak during the "coverage term".
2. For **Fundraising Event Cancellation Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Communicable disease" means any disease or any related or resulting diseases, viruses, complexes, symptoms, manifestations, effects, condi-

tions or illnesses, except this endorsement does not apply to any "loss" directly or indirectly attributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may cause global outbreak, or pandemic, or serious illness.

- b. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

The most we will pay for all fundraising event cancellation expenses under **Fundraising Event Cancellation Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

F. Image Restoration and Counseling Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Image Restoration and Counseling Expense

1. We will pay your "image restoration and counseling expense" resulting from a "covered event" that occurs during the "coverage term".
2. For **Image Restoration and Counseling Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Covered event" means an actual or alleged act, attempt or threat of sexual misconduct or sexual molestation directed at one or more of your clients while in your care, custody and control, committed by you, any of your partners, directors, officers, employees, independent contractors or volunteers.
 - b. "Image restoration and counseling expense" means reasonable fees

and expenses you necessarily incur after a "covered event" occurs for:

- (1) The services of a public relations or similar professional image restoration organization to assist or advise you in order to minimize negative publicity and restore or otherwise positively communicate the image of your "operations".
- (2) Legal counseling and professional psychological counseling or other necessary professional mental health treatment for you, any of your partners, directors, officers or employees as a result of a "covered event". These "image restoration and counseling expenses" are payable only if and when the accused is acquitted or is discharged from being accused of committing the "covered event".
- (3) The recruitment of a replacement for an officer who has been relieved of their duties in your "operations" as a result of the "covered event".

The most we will pay for all "image restoration and counseling expense" under **Image Restoration and Counseling Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

G. Key Individual Replacement Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Key Individual Replacement Expense

1. We will pay the reasonable "replacement expense" incurred, and not reimbursed by any other source, to replace your Chief Executive Officer or your Executive Director if your incumbent Chief Executive Officer or Executive Director is unable to continue due to death or permanent disability resulting from an injury that takes place during the "coverage term".
2. For **Key Individual Replacement Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**, is amended to include the following:

"Replacement expense" means:

- a. Costs of advertising the employment position opening;
- b. Travel, lodging, and meals incurred in interviewing job applicants for the position opening; and
- c. Reasonable extra expenses incurred with our prior consent in finding, interviewing and negotiating with the job applicants including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

The most we will pay for all "replacement expense" under **Key Individual Replacement Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

H. Kidnap Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Kidnap Expense

1. We will pay the reasonable "kidnap expense" incurred by you or your current director or officer as a result of the "kidnap" of a "covered person" that takes place during the "coverage term".

This coverage does not apply to any "kidnapping" by or at the direction of any past or present family member of the "covered person".

2. For **Kidnap Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

- a. "Covered person" means:
 - (1) Any current director or officer of the named insured; or
 - (2) The spouse, parent, or child of a current director or officer of the named insured.
- b. "Kidnap", "kidnapped", or "kidnapping" means the illegal taking and holding of a "covered person" by an individual who demands a "ransom". The "ransom" must specifically be demanded from your assets as a

condition for the release of the "covered person".

- c. "Kidnap expense" means:

- (1) Fees and expenses of an independent negotiator you have hired with our prior approval;
- (2) Incurred interest of loans taken for the purpose of paying "ransom", provided that the loan is repaid within seven days of the insured receiving reimbursement from us;
- (3) Travel and accommodation expenses incurred by any current director or officer of the named insured;
- (4) Reward paid by the insured, with our prior approval, to an "informant" for information which leads to the arrest and conviction of parties responsible for a "kidnapping", provided that the offer of such reward is approved by the local law enforcement officials; and
- (5) Gross salary including bonuses and allowances paid by you to your "kidnapped" director or officer which is contractually due at the time the "kidnapping" occurs. The salary will be paid for a period beginning on the date of the "kidnap" and will end upon the earlier of:
 - (a) Up to 30 days after the release of the director or officer, if the director or officer has not yet returned to work;
 - (b) The discovery of the death of the director or officer;
 - (c) 120 days after we receive the last credible evidence following the "kidnapping" that the director or officer is still alive;
 - (d) 12 months after the date of the "kidnapping"; or
 - (e) The exhaustion of the kidnap expense limit.
- d. "Ransom" means money or other consideration demanded or paid for the release of a "covered person".

The most we will pay for all "kidnap expense" under **Kidnap Expense** in any one "coverage

term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

I. Lease Assessment

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Lease Assessment

Your Business Personal Property insurance coverage is extended to apply to your share of any assessment charged to all tenants by the building owner as a result of direct damage caused by or resulting from a Covered Cause of Loss that occurs during the "coverage term" to building property you occupy at a "premises" as agreed to in your written lease agreement.

The most we will pay for all "loss" under **Lease Assessment** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

J. Leasehold Improvements

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Leasehold Improvements

If your lease is cancelled in accordance with a valid lease provision as the direct result of a Covered Cause of Loss to property during the "coverage term" at a "premises" you occupy as a tenant, and you cannot legally remove Tenant Improvements and Betterments, as described in **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property, (6)** we will extend your Business Personal Property insurance coverage to apply to the unamortized value of Tenant Improvement and Betterment that remain and that you were forced to abandon.

The most we will pay for all "loss" under **Leasehold Improvements** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

K. Political Unrest Evacuation Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

AGE, 5. Coverage Extensions is amended to include the following:

Political Unrest Evacuation Expense

1. We will reimburse any current director, officer, employee or volunteer of the named insured for "emergency evacuation expense" that is incurred as the direct result of "political unrest" outside of the United States of America, its territories and possessions, Puerto Rico or Canada. We will only pay "emergency evacuation expense" directly related to traveling for your business pursuits and we will only pay "emergency evacuation expenses" not reimbursed by any other source. The "political unrest" must occur in the country where your current director, officer, employee or volunteer is traveling and the "political unrest" must occur during the "coverage term".

No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel or countries under a United States Department of State trade or travel restriction at the time of incident of "political unrest".

2. For **Political Unrest Evacuation Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

a. "Emergency evacuation expense" means:

- (1) Additional lodging expenses;
- (2) Additional transportation costs;
- (3) The cost of obtaining replacement of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
- (4) Translation services, message transmittals and other communication expenses provided that these expenses are not otherwise reimbursable.

b. "Political unrest" means:

- (1) A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
- (2) A long-term condition of disturbance, turmoil or agitation that makes a foreign country danger-

ous or unstable for citizens of the United States; or

- (3) A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff for which either an alert or travel warning has been issued by the United States Department of State.

The most we will pay for all "emergency evacuation expenses" under **Political Unrest Evacuation Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

L. Premises Boundary Increase

Any reference to 1,000 feet in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**,

1. **SECTION A. COVERAGE, 1. Covered Property, a. Building, (5)(b); or**
2. **SECTION A. COVERAGE, 1. Covered Property, b. Outdoor Signs; or**
3. **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property; or**
4. **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (2) Limitations - Various Property for Specified Causes, (b), 1); or**
5. **SECTION A. COVERAGE, 5. Coverage Extensions; or**
6. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (1) Business Income; or**
7. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (4) Alterations and New Buildings, (c); or**
8. **SECTION A. COVERAGE, 5. Coverage Extensions, f. Fences;**

is increased to 1,800 feet.

M. Temporary Meeting Space Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Temporary Meeting Space Expense

We will reimburse you the meeting space rental expense incurred, and not reimbursed by any other source, due to the temporary unavailability of your primary meeting office space on the "premises". The unavailability of your primary meeting space must be the result of direct "loss" to a climate control system or hot water heater during the "coverage term". However, **Temporary Meeting Space Expense** does not apply to the renting of a temporary meeting space solely for use by you, your "employees", your officers or directors unless the temporary meeting space is also required for meeting with vendors, clients or customers outside your organization.

The most we will pay for all temporary meeting space rental expenses under **Temporary Meeting Space Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

N. Travel Delay Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Travel Delay Expense

1. We will reimburse your current director or officers any "travel delay expense" incurred, and not reimbursed by any other source, as a result of delay or cancellation of any regularly scheduled travel on a commercial transportation carrier. The regularly scheduled travel must be directly related to your business pursuits and the cause of the cancellation must occur during the "coverage term". However, we will only pay for "travel delay expense" first incurred seventy-two (72) hours after the cancellation occurred.

We will not pay for "travel delay expense" due to a "certified act of terrorism".

2. For Travel Delay Expense only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terror-

ism 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 of affect the conduct of the United States Government by coercion.

b. "Travel delay expense" means the following travel-related expense for which your director or officer produces a receipt:

- (1) Meals and lodging;
- (2) Alternative transportation;
- (3) Clothing and necessary toiletries; or
- (4) Emergency prescription and non-prescription drug expenses.

The most we will pay for all "travel delay expense" under **Travel Delay Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

O. Unauthorized Business Card Use

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Unauthorized Business Card Use

1. We will pay for your loss of "money" or charges and costs you incur that result directly from the unauthorized use of credit, debit or charge cards issued in your business name, including:
 - (a) Fund transfer cards;
 - (b) Charge plates; or
 - (c) Telephone cards.
2. For this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE,**

2. Property Not Covered, a. Accounts, Deeds, Money or Securities is deleted in its entirety and replaced with the following:

Accounts, Deeds, Money or Securities

Except as provided in SECTION A. COVERAGE, 4. Additional Coverages, Unauthorized Business Card Use; and **5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities".

3. The most we will pay for all loss of money or charges and costs under **Unauthorized Business Card Use** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

P. Unintentional Error in Description

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended to include the following:

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

Q. Workplace Violence Counseling Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Workplace Violence Counseling Expense

1. We will reimburse you for emotional counseling expense incurred and not reimbursed by any other source resulting from a "workplace violence" incident at your "premises" during the "coverage term". The emotional counseling expenses incurred must have been for:
 - a. Your employees who were victims of, or witnesses to the "workplace violence";
 - b. The spouse, parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and

- c. Any other person or persons who directly witnessed the "workplace violence" incident.
2. For **Workplace Violence Counseling Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include:

"Workplace violence" means any intentional use of deadly force by any person with intent to cause harm and that results in physical injury or death of any person while on the insured's "premises".

The most we will pay for all emotional counseling expense under **Workplace Violence Counseling Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

R. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FROM, SECTION C. DEDUCTIBLE** is deleted in its entirety and replaced by the following:

We will not pay for an insured event in any one occurrence until the amount of the insured event exceeds the Deductible indicated in the Bridge Schedule of Coverage Limits. We will then pay the amount of the insured event in excess of the Deductible, up to the applicable Limit of Insurance in the Bridge Schedule of Coverage Limits in this endorsement.

SECTION II - CONDITIONS

- A. For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties In The Event of Loss or Damage** is deleted in its entirety and replaced by the following:

3. Duties In The Event of an Insured Event

- a. In the event of an insured event for which this coverage is sought, you must see that the following are done in order for coverage to apply:

- (1) Notify the police if a law may have been broken; however, this does not apply to **SECTION I - COVERAGES, H. KIDNAP EXPENSE**.
- (2) Give us prompt notice of the insured event. Include a description of any property involved.

- (3) As soon as possible, give us a description of how, when and where the insured event occurred.

- (4) Take all reasonable steps to protect any property involved from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a record of your expenses necessary to protect any property involved for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent insured event resulting from a cause of loss that is not a Covered Cause of Loss.

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

- (6) As often as may be reasonably required, permit us to inspect any property proving the insured event 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) Submit 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.

B. For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 4. Loss Payment**, Paragraphs **a.** through **h.** are deleted in their entirety and replaced by the following:

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

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 **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b.** 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, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- 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 any property for which coverage is sought.

- e.** We may adjust amounts payable as the result of an insured event 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 property for which coverage is sought.

- f.** Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.

- g.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

- h.** We will pay for an insured event 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 the insured event; or

- (2)** An appraisal award has been made.

C. For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 7. Valuation**, the first sentence is deleted in its entirety and replaced by the following:

7. Valuation

We will determine the value of any property involved in the event of an insured event as follows:

- a.** At "Actual Cash Value" as of the time of the insured event, except as provided in **b.**, **c.**, **d.**, and **e.** below.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF COVERAGE - CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. Cyber Incident Exclusion

For the purposes of this endorsement only,

- 1. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Cause of Loss, b. Exclusions, Paragraph (1)** is amended to include the following:

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

Cyber incident, meaning:

- a.** Unauthorized access to or use of any computer system (including electronic data).
- b.** 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.
- c.** 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.

A cyber incident includes, but is not limited to, ransomware.

However, if a cyber incident results in direct "loss" from fire or explosion, we will pay for the resulting "loss" caused by that fire or explosion.

If Vandalism coverage is not otherwise excluded under this Coverage Part, vandalism does not include a cyber incident.

- 2.** If endorsed to this Coverage Part, a Commercial Property Endorsement with a

coverage section for **Electronic Data Processing Property, Paragraph (3) Exclusions** is amended to include the cyber incident exclusion described in Paragraph **A. 1.** above to the list of excluded causes of loss.

- 3.** If endorsed to this Coverage Part, **TEMPERATURE CHANGE LOSS FORM, C. Excluded Causes of Loss, Paragraph 2.** is amended to include the cyber incident exclusion described in Paragraph **A. 1.** above to the list of excluded causes of loss.
- 4.** If endorsed to this Coverage Part, a Commercial Property Endorsement with a coverage section for **Temperature Change** is amended to include the cyber incident exclusion described in Paragraph **A.1.** above to the list of excluded causes of loss.
- 5.** If endorsed to this Coverage Part, **MORTGAGE INTEREST COVERAGE FORM, EXCLUSIONS - COVERAGES A. AND B., Paragraph 2.** is amended to include the cyber incident exclusion described in Paragraph **A. 1.** above to the list of excluded causes of loss.

B. Additional Coverage

The exclusion in Paragraph **A. 1.** above does not apply to the extent that coverage is provided in:

- 1. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (7) Interruption of Computer Operations;**
- 2. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data;**
- 3. BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations; or**
- 4. BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, e. Interruption of Computer Operations**

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 direct "loss", 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", we will not pay more than the actual amount of the "loss".

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 "loss" occurred.

E. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

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". 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", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. **However, we will not reimburse any deductible or difference between Actual Cash Value and Replacement Cost valuations.** We will not pay more than the applicable Limit of Insurance.

H. Policy Period, Coverage Territory

Under this Coverage Part:

1. We cover "loss" commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory:
 - 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 direct "loss" to impair them. But you may waive your rights against another party in writing:

- 1.** Prior to a direct "loss" to your Covered Property or Covered Income.
- 2.** After a direct "loss" to your Covered Property or Covered Income only if, at time of direct "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.**LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART**SCHEDULE**

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
1	1		B
CAPSTAR BANK ISAOA PO BOX 305065 NASHVILLE, TN 37230			

- A.** 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.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 4. Loss Payment**, as indicated in the Schedule of this endorsement.

B. Loss Payable

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

1. Adjust losses with you; and
2. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

C. Lender's Loss Payable

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

- a. Warehouse receipts;
- b. A contract for deed;

- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

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

- a. We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (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 Loss Payee.

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

- d. If we pay the Loss Payee for any "loss" 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 Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) 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.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
- a. 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

4. 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.

D. Contract of Sale

1. The Loss Payee shown in the Schedule of this endorsement is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
- a. Adjust losses with you; and
- b. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.
3. For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

E. Building Owner Loss Payable Clause

1. The Loss Payee shown in the Schedule of this endorsement is the owner of the building in which you are a tenant.
2. We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. 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.**EQUIPMENT BREAKDOWN COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART**A. COVERAGE**

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE** is amended by adding the following:

We will pay for direct "loss" to Covered Property caused by or resulting from an "accident" at the "premises".

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended by:

- a. Adding the following to (1)(e) **Utility Services**, (1)(g) **Water** 1), (2)(a) **Electrical Current**, (2)(d) **Miscellaneous Causes of Loss**, (2)(j) **Exposure to Weather**, (3)(a) **Weather Conditions**, (3)(b) **Acts or Decisions**, and (3)(c) **Defects, Errors, and Omissions**:

However, this exclusion does not apply if the causes of loss are caused by, or result from, an "accident" to Covered Property at the "premises".

- b. Deleting in its entirety (2)(e) **Explosion of Steam Apparatus**.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations** is amended by:

- a. Deleting in its entirety (1)(a) **Steam Apparatus** and (1)(b) **Hot Water Boilers**.

- b. Adding the following:

The following limitations apply only to "loss" covered by this endorsement. The sublimits provided in Paragraphs (1), (2) and (3) below are included within, and are not in addition to, the Limit of Insurance shown in the Declarations as applicable to the Covered Property. These limits, or the applicable Limit of Insurance shown in the Declarations as applicable to the Covered Property, whichever is less, apply. These limits apply to direct "loss" only.

- (1) **Ammonia Contamination Limitation**

If Covered Property is contaminated by ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for this kind of loss, including salvage expense, is \$100,000 per location.

- (2) **Data, Media and Software Restoration**

If "electronic data" is destroyed or corrupted as a result of an "accident" to covered equipment, the most we will pay for the expenses incurred by you for the restoration of that "electronic data" is \$100,000 for all loss sustained in the "coverage term", regardless of the number of "accidents" or the number of "premises" involved.

- (3) **"Hazardous Substance" Limitation**

The following applies despite the operation of **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a) Ordinance or Law**.

If Covered Property is damaged, contaminated or polluted by a "hazardous substance" other than ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for any additional expenses incurred by you for clean up, repair, replacement or disposal of that property is \$100,000. As used here, additional expenses mean expenses incurred beyond those for which we would be liable if no "hazardous substance" had been involved.

4. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A.**

COVERAGE, 5. Coverage Extensions, g. Fungi, Wet Rot, Dry Rot, and Bacteria – Limited Coverage, Paragraph (3) is deleted in its entirety and replaced by the following:

- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for loss, regardless of the number of claims, is \$100,000. This limit is the most we will pay for the total of all loss arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$100,000 even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a subsequent "coverage term".

B. ADDITIONAL COVERAGES

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended as follows:

1. Paragraph **a. Change in Temperature or Humidity** is deleted in its entirety.

2. The following are added:

a. Drying Out

If electrical equipment included in Covered Property requires "drying out" as a result of a "flood", the reasonable expense incurred for the "drying out" will be covered.

b. Expediting Expenses

With respect to "loss" covered by this endorsement, and with respect to your damaged Covered Property, we will pay the reasonable extra cost to:

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

c. Non-Owned Utility Service Equipment

We will pay for indirect loss resulting from an "accident" to non-owned utility equipment described in **E. Definitions, 1.a.(7)** but we will not pay for any expense to repair or replace direct "loss" to non-owned utility equipment that:

- (1) You do not own, lease or rent; or
- (2) That is not in your care custody and control.

These Additional Coverages are included within, and not in addition to, the Limits of Insurance shown in the Declarations. All other terms and conditions of this Coverage Part, including deductibles, apply to these Additional Coverages.

C. DEDUCTIBLE

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended by adding the following:

The deductible applicable to "loss" covered by this endorsement is \$500, or the deductible indicated in the Declarations as being applicable to the lost or damaged Covered Property, whichever is greater.

D. ADDITIONAL CONDITIONS

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended by adding the following:

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" to that covered equipment. This can be done by delivering or mailing a written notice of suspension to:

1. Your last known address; or
2. The address where the covered equipment is located.

Once suspended in this way, your insurance can be reinstated only by written notice from us.

If we suspend your insurance, you will get a pro rata refund of premium for that covered equipment. However, the suspension will be effective even if we have not yet made or offered a refund.

E. DEFINITIONS

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended by adding the following:

- 1.a. "Accident" means a sudden and accidental breakdown of the following covered equipment:

- (1) Any boiler;

- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
- (3) Any piping and its accessory equipment;
- (4) Any refrigeration or air conditioning system;
- (5) Any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power; or
- (6) Any "production machinery".
- (7) Equipment of a type described in definition **a.(1)** through **(6)** above which you do not own, lease or rent and is not in your care, custody or control that is on or within one mile of a covered "location", and is supplying you with electricity, gas, water, steam, heat, refrigeration, air conditioning or communication services.

At the time the breakdown occurs, it must become apparent by physical damage that the covered equipment or part thereof requires repair or replacement.

When the covered equipment or part thereof experiencing a problem is "electronic circuitry" that suddenly loses its ability to function as designed or intended with no apparent physical damage, we will concede physical damage has occurred if the covered equipment or part thereof can be restored to normal operation by replacing one or more "electronic circuitry" components.

b. None of the following is an "accident":

- (1) Depletion, deterioration, corrosion or erosion;
- (2) Wear and tear;
- (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (4) The functioning of any safety or protective device;
- (5) The breakdown of any structure or foundation supporting covered equipment or any of its parts;
- (6) Any condition that can be reasonably remedied by normal maintenance such as:
 - (a) Replacing expendable parts;
 - (b) Recharging batteries; or

- (c) Rebooting, reloading or updating software or firmware; or

(7) Any condition caused by or related to:

- (a) Incompatibility of covered equipment or part thereof with any software or equipment installed, introduced or networked within the prior 30 days; or
- (b) Programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, or other condition within or involving data or media of any kind.

c. None of the following are covered equipment:

- (1) Any sewer piping, underground gas piping, or piping forming a part of a sprinkler system;
- (2) Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigeration or air conditioning system;
- (3) Insulating or refractory material;
- (4) Vehicle, elevator, escalator, conveyor, hoist or crane;
- (5) Felt, wire, screen, swing hammer, grinding disc, cable, chain, belt, rope or nonmetallic part;
- (6) Die, mold, extrusion plate, cutting blade or any part or tool subject to periodic replacement for production or maintenance purposes;
- (7) Penstock, draft tube or well casing; or
- (8) Excavation or construction equipment or any equipment mounted thereon.

d. If a strike, riot, civil commotion, act of sabotage or vandalism results in an "accident", this insurance applies. However, the War and Military Action Exclusion and the conditions of this Coverage Part still apply.

2. "Drying out" means restoration of electrical equipment to service following a "flood" by removal of excess moisture from that equipment including:

- a.** Application of heat or controlled electrical current, circulation of air, or use of dehumidification equipment, after rinsing the electrical equipment with clean fresh water if necessary to flush away "flood" debris;

- b.** "Drying out" can be done in place or equipment can be disconnected and removed to a repair facility for drying if necessary.
 - c.** "Drying out" does not include or apply to:
 - (1)** Replacement or repair of any electrical equipment or parts thereof; or
 - (2)** Any expense related to deconstruction, demolition, or reconstruction of any building component, structure or part thereof to gain access to electrical equipment.
- 3.** "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- 4.** "Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas due to:
 - a.** The overflow of inland or tidal waters;
 - b.** The unusual or rapid accumulation or runoff of surface waters from any source; or
 - c.** Mudslides or mudflows, which are caused by flooding as defined above in Paragraph

4.b. For the purposes of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

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

- 5.** "Hazardous substance" means a substance declared to be hazardous to health by a governmental agency.
- 6.** "Production machinery" means:
 - a.** Production or process machine or apparatus that processes, forms, cuts, shapes, grinds or conveys raw material, material in process or finished products, and the computers and their peripherals that control or operate such a machine or apparatus.
 - b.** Machine or apparatus used for research, medical, diagnostic, surgical, dental or pathological purposes, and computers and their peripherals that control or operate such a machine or apparatus.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION F. DEFINITIONS**.

SECTION A. COVERAGE

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- a. "Business Income" including "Rental Value".
- b. "Business Income" other than "Rental Value".
- c. "Rental Value".

If option **a.** above is selected, the term "Business Income" will include "Rental Value". If option **c.** above is selected, the term "Business Income" will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

1. Business Income

- a. We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at "premises" which are described in the Declarations and for which a "Business Income" Limit of Insurance is shown in the Declarations. The "loss" must be caused by or result from a Covered Cause of Loss. With respect to "loss" to personal property in the open (or personal property in a vehicle or portable storage unit), the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.
- b. With respect to the requirements set forth in the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purposes of this Coverage Part only, your "premises" is the portion of the building which you rent, lease or occupy, including:
 - (1) Any area within the building or on the site at which the "premises" are lo-

cated if that area services or is used to gain access to the described "premises".

- (2) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.

2. Extra Expense

- a. Extra Expense coverage is provided at the "premises" described in the Declarations only if the Declarations show that "Business Income" coverage applies at that "premises".
- b. Extra Expense means necessary expenses you sustain (as described in Paragraphs **2.c.**, **d.** and **e.**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- c. If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **2.d.**) to:
 - (1) Avoid or minimize the "suspension" of business and to continue "operations" either:
 - (a) At the "premises"; or
 - (b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
 - (2) Minimize the "suspension" of business if you cannot continue "operations".
- d. We will also pay expenses to:
 - (1) Repair or replace property; or

- (2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal "operations", the amount we will pay under this Coverage Form will be reduced by the salvage value of that property.

- e. Extra Expense as described in Paragraphs **2.a.** thru **2.d.** does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

3. Covered Causes of Loss

See **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss**.

4. Limitation for Electronic Data

- 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" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. 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" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- c. This Limitation does not apply when "loss" to "electronic data" involves only "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

The Additional Coverages in Paragraphs **5.a.** through **5.e.** are included within and not additional "Business Income" and Extra Expense Limits of Insurance.

a. Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain due to direct "loss" at the "premises" caused by or re-

sulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

b. Civil Authority

When a Covered Cause of Loss causes direct damage to property other than Covered Property at the "premises", we will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority coverage for "Business Income" will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will apply for a period of up to 30 consecutive days from the date on which such coverage began.

Civil Authority coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will end 30 consecutive days after the date of that action; or when your Civil Authority coverage for "Business income" coverage ends, whichever is later.

c. Extended Business Income**(1) "Business Income" Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Business Income" "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain during the period that:

- (a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b)** Ends on the earlier of:
 - (i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no direct "loss" had occurred; or
 - (ii)** 60 consecutive days after the date determined in **c.(1)(a)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you sustain during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
 - (i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or

- (ii)** 60 consecutive days after the date determined in **c.(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the described "premises" caused by or resulting from any Covered Cause of Loss.

d. Interruption of Computer Operations

- (1)** Subject to all provisions of this Additional Coverage - **Interruption of Computer Operations**, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss. This Additional Coverage - **Interruption of Computer Operations** does not apply when "loss" to "electronic data" only involves "loss" to "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2)** 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 an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (3)** The most we will pay under this Additional Coverage - **Interruption of Computer Operations** is \$2,500 for all "loss" sustained and expense sustained in any "coverage term", regardless of the number of interruptions or the number of "premises", locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this

amount, then the balance is available for "loss" or expense sustained as a result of subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not increase the amount of insurance in the next "coverage term". With respect to any interruption which begins in one "coverage term" and continues or results in additional "loss" or expense in that subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

- (4) This Additional Coverage - **Interruption in Computer Operations** does not apply to "loss" sustained or expense sustained after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **d.(3)** of this Additional Coverage has not been exhausted.

e. Ingress and Egress

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by the prevention of existing ingress or egress at a "premises" shown in the Declarations due to direct "loss" by a Covered Cause of Loss at a location contiguous to such "premises". However, coverage does not apply if ingress or egress from the "premises" is prohibited by civil authority.

Ingress and egress coverage for "Business Income" will begin immediately after the time of the direct "loss" and will continue for a period up to 30 consecutive days.

Ingress and egress coverage for Extra Expense will begin at time of the direct "loss" and will continue for 30 consecutive days or whenever your Ingress and Egress "business income" coverage ends, whichever occurs first.

6. Coverage Extension

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance. **SECTION D. ADDITIONAL CONDITION, 1. Coinsurance** does not apply to this Coverage Extension.

Newly Purchased or Leased Locations

- a. You may extend your "Business Income" and Extra Expense coverages to apply to property located at:
- (1) New buildings or additions while being built on a "premises";

- (2) Buildings you newly purchase or become required to insure by written contract; or
- (3) Leased buildings or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

This does not apply to property situated at trade shows, fairs or exhibitions.

- b. The most we will pay in total for "Business Income" and Extra Expense "loss" under this Coverage Extension is \$100,000 at each location described in Paragraph **6.a**.
- c. Insurance under this Coverage Extension will end when any of the following first occurs:
- (1) This policy expires;
- (2) 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (3) 90 days pass from the date you purchase, lease, or become contractually required to insure property described in Paragraphs **6.a.(2)** and **(3)**; or
- (4) You report values to us when you acquire your new building or business personal property.

We will charge you additional premium for values reported from the date you purchase or lease the property or begin construction on that part of the building that would qualify as Covered Property.

SECTION B. LIMITS OF INSURANCE

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

SECTION C. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

1. Appraisal

If we and you disagree on the amount of "Business Income" or Extra Expense "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 separate-

ly the amount of "Business Income" or Extra Expense "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.

2. Duties in the Event of Loss

- a. You must see that the following are done in the event you have a "Business Income" or Extra Expense "loss":

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct "loss". Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct "loss" 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" 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) As often as may be reasonably required, permit us to inspect the property proving the "loss" 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.

- (6) 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.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) 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.

3. Loss Determination

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

- (1) The Net Income of the business before the direct "loss" occurred;
- (2) The likely Net Income of the business if no direct "loss" 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 "loss"; 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 sustained by "operations" during the "period of restoration" if no direct "loss" 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 "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.

4. Loss Payment

We will pay for insured "loss" 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:

- a. We have reached agreement with you on the amount of "loss"; or
- b. An appraisal award has been made.

SECTION D. ADDITIONAL CONDITION

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

We will not pay the full amount of any "Business Income" "loss" if the Limit of Insurance for "Business Income" is less than:

- a. The Coinsurance percentage shown for "Business Income" in the Declarations; times
- b. The sum of:
- (1) The Net Income (Net Profit or Loss before income taxes), and
- (2) Operating expenses, including payroll expenses,

that would have been earned or incurred (had no direct "loss" occurred) by your "operations" at the "premises" for the 12 months following the inception, or last previous anniversary date, of this Coverage Part (whichever is later).

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

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this Coverage Part by the Coinsurance percentage;
2. Divide the Limit of Insurance for the described "premises" by the figure determined in Step 1.; and
3. Multiply the total amount of "loss" by the figure determined in Step 2.

We will pay the amount determined in Step 3. 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.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All payroll expenses or the amount of payroll expense excludable (if Form **FA 465** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example No. 1 (Underinsurance):

When: The Net Income and operating expenses for the 12 months follow-

ing the inception, or last previous anniversary date of this Coverage Part at "premises" would have been \$400,000.

The Coinsurance percentage is 50%

The Limit of Insurance Is \$150,000

"Business Income" "loss" is \$80,000

Step 1: $\$400,000 \times 50\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2: $\$150,000 \div \$200,000 = .75$

Step 3: $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example No. 2 (Adequate Insurance):

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date of this Coverage Part at the "premises" would have been \$400,000.

The Coinsurance percentage is 50%

The Limit of Insurance Is \$200,000

"Business Income" "loss" is \$80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of "loss").

This condition does not apply to Extra Expense.

SECTION E. OPTIONAL COVERAGES

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

1. Maximum Period of Indemnity

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay in total for "Business Income" and Extra Expense "loss" is the lesser of:

- (1) The amount of "Business Income" and Extra Expense "loss" sustained during the 120 days immediately following the beginning of the "period of restoration"; or

- (2) The Limit of Insurance shown in the Declarations.

2. Monthly Limit of Indemnity

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay for "Business Income" "loss" in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- (1) The Limit of Insurance; multiplied by

- (2) The fraction shown in the Declarations for this Optional Coverage.

Example:

When: The "Business Income" Limit of Insurance is \$120,000

The fraction shown in the Declarations for this Optional Coverage is 1/4

The most we will pay for "loss" in each period of 30 consecutive days is: $\$120,000 \times 1/4 = \$30,000$.

If, in this example, the actual amount of "Business Income" "loss" is:

Days	1-30	\$40,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$90,000</u>

We will pay:

Days	1-30	\$30,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$80,000</u>

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

a. To activate this Optional Coverage:

(1) A Business Income Report/Work Sheet must be on file with the Company and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies. The "Business Income" Limit of Insurance indicated on the Declarations should

be at least equal to the Agreed Value, which is determined by:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Work Sheet.

b. Except as noted in c. below, the **ADDITIONAL CONDITION Coinsurance** is suspended until the expiration date of this Coverage Part.

c. We will reinstate the **ADDITIONAL CONDITION Coinsurance** automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) When you request a change in your "Business Income" Limit of Insurance; or
- (2) When you request the coinsurance percentage be changed on the Work Sheet.

d. If the "Business Income" Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The "Business Income" Limit of Insurance; divided by
- (2) The Agreed Value.

Example:

When: The Limit of Insurance is \$100,000

The Agreed Value is \$200,000

"Business Income" "loss" is \$80,000

Step (a): $\$100,000 \div \$200,000 = .50$

Step (b): $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period of Indemnity

In **SECTION A. COVERAGE, 5. Additional Coverages, c. Extended Business Income**, the number "60" in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

SECTION F. DEFINITIONS

1. "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 sustained, including payroll.

2. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

4. "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.

5. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a coinsurance percentage shown for "Business Income" in the Declarations.

"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.

6. "Loss" means accidental physical loss or accidental physical damage.
7. "Operations" means:
 - a. Your business activities occurring at the "premises"; and
 - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
8. "Period of restoration" means the period of time that:
 - a. Begins at the time of direct "loss".
 - b. Ends on the earlier of:
 - (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
 - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
 - d. The expiration date of the Coverage Part will not cut short the "period of restoration".
9. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
 - a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
 - b. You use, generate or produce the "pollutant".
10. "Premises" means the Locations and Buildings described in the Declarations.
11. "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 "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.
12. "Suspension" means:
 - a. The slowdown or cessation of your business activities; and
 - b. That a part or all of the "premises" is rendered untenable if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
13. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information. But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

**COMMERCIAL GENERAL LIABILITY COVERAGE
PART DECLARATIONS**

Attached to and forming part of POLICY NUMBER: ETD 053 03 98

Named Insured is the same as it appears in the Common Policy Declarations

LIMITS OF INSURANCE

EACH OCCURRENCE LIMIT	\$ 1,000,000	
GENERAL AGGREGATE LIMIT	\$ 2,000,000	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000	
PERSONAL & ADVERTISING INJURY LIMIT	\$ 1,000,000	ANY ONE PERSON OR ORGANIZATION
DAMAGE TO PREMISES RENTED TO YOU LIMIT		ANY ONE
\$100,000 limit unless otherwise indicated herein:	\$ SEE GA252	PREMISES
MEDICAL EXPENSE LIMIT		
\$5,000 limit unless otherwise indicated herein:	\$ SEE GA252	ANY ONE PERSON

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 1 - TN SCHOOLS - PUBLIC - ELEMENTARY INCL PROD AND/OR COMP OP	47471	E465 EACH		6.937		3,226
LOC. 2 - TN SCHOOLS - PUBLIC - HIGH INCL PROD AND/OR COMP OP	47473	E405 EACH		9.708		3,932
SCHOOLS, GRADES K-12 (WITHOUT OVERNIGHT ACCOMMODATIONS)	20028	E870 STUDENTS		2.32		2,018
EDUCATIONAL INSTITUTIONS COMMERCIAL GENERAL LIABILITY ENDORSEMENT	20293					750
BI EXCEPTIONS TO POLLUTANT EXCLUSION	20410			2%		143
ADDITIONAL INSURED	29938					70

The General Liability Coverage Part is subject to an annual minimum premium.

TOTAL ANNUAL PREMIUM \$ 8,121

FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:

GA101 12/04 COMMERCIAL GENERAL LIABILITY COVERAGE FORM

FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:

GA4251	01/06	NOTICE TO POLICYHOLDERS - MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS
CG2011	04/13	ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES
CG2116	04/13	EXCLUSION - DESIGNATED PROFESSIONAL SERVICES
CG2132	05/09	COMMUNICABLE DISEASE EXCLUSION
GA252	09/17	EDUCATIONAL INSTITUTIONS COMMERCIAL GENERAL LIABILITY ENDORSEMENT
GA263	07/12	EDUCATIONAL INSTITUTIONS' SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIABILITY
GA3024	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
GA3059	05/19	EXCLUSION - NEURODEGENERATIVE INJURY
GA4250	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS
GA478	12/04	BODILY INJURY EXCEPTIONS TO POLLUTANT EXCLUSION

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, you did not know, per Paragraph **1.d.** below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part.
- c. "Bodily injury" or "property damage" which:
- (1) Occurs during the "coverage term"; and
 - (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have occurred;
- includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
- d. You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
 - (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
 - (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
 - (5) Becomes aware, or reasonably should have become aware, of a

condition from which "bodily injury" or "property damage" is substantially certain to occur.

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

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

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

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. When a claim for such "bodily injury" or "property damage" is made, we will defend that claim provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

c. Liquor Liability

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

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

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

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

d. Workers' Compensation and Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured sustained in the "workplace";
- (2) An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

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

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

f. Pollutant

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, Paragraph (a) does not apply to:

- 1) "Bodily injury" to any person injured while on any premises, site or location owned or occupied by, or rented or loaned to, you provided:

- a) The injury is caused by the inadequate ventilation of vapors;
- b) The person injured is first exposed to such vapors during the policy period; and
- c) Within 30 days of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph **c)** does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

This exception **1)** shall apply only to Named Insureds; we shall have no duty to defend or pay damages for any person or organization that is not a Named Insured. However, this paragraph does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

For the purpose of the exception granted in Paragraph **1)** only, vapors means any gaseous or airborne irritant or airborne contaminant, including smoke, fumes, vapor or soot, but excluding asbestos, which is discharged, dispersed, emitted, released or escapes from materials, machinery or equipment used in the service or maintenance of the premises. Vapors does not mean any gaseous or

airborne irritants or contaminants used in a manufacturing process or which is the product or by-product of any manufacturing process;

- 2) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - 1) Any insured; or
 - 2) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, Paragraph **(d)** does not apply to:
 - 1) "Bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release, es-

cape or emission of fuels, lubricants or other operating fluids, or exhaust gases, which are needed to perform, or are the result of, the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted with the intent to cause "bodily injury" or "property damage" or with the knowledge that "bodily injury" or "property damage" is substantially certain to occur, or if such fuels, lubricants or other operating fluids, or exhaust gases, are brought on or to the premises, site or location with such intent to escape, seep or migrate, or be discharged, dispersed, released or emitted as part of the operations being performed by such insured, contractor or subcontractor;

- 2) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the op-

erations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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

However, Paragraphs (2)(a) and (b) do not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto or Watercraft

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

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and

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

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

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

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

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

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

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

i. War

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

(1) War, including undeclared or civil war;

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

(3) Insurrection, rebellion, revolution, usurped power, or action taken by

governmental authority in hindering or defending against any of these.

j. Damage to Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of an insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire or explosion) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days, for which the amount we will pay is limited to the Damage To Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

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

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

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

k. Damage to Your Product

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

I. Damage to Your Work

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

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

m. Damage to Impaired Property or Property Not Physically Injured

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

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

n. Recall of Products, Work or Impaired Property

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

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

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

o. Personal and Advertising Injury

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

p. Asbestos

"Bodily injury" or "property damage" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

q. Employment-Related Practices

"Bodily injury" to:

(1) A person arising out of any:

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

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

r. Additional Insured Prior Knowledge

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury" or "property damage" is substantially certain to occur.

s. Electronic Data

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

t. Distribution of Material in Violation of Statutes

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

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **q.** do not apply to "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the Damage to Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**.

- b. This insurance applies to "personal and advertising injury" only if:
 - (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
 - (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period; and
 - (3) Prior to the "coverage term" in which the "personal and advertising injury" offense is committed, you did not know, per Paragraph **1.d.** below, that the offense had been committed or had begun to be committed, in whole or in part.
- c. "Personal and advertising injury" caused by an offense which:
 - (1) Was committed during the "coverage term"; and

- (2) Was not, prior to the "coverage term", known by you, per Paragraph 1.d. below, to have been committed;

includes any continuation, change or resumption of that offense after the end of the "coverage term" in which it first became known by you.

- d. You will be deemed to know that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means, other than as described in (3) above, that the offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation of Rights of Another

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

b. Material Published With Knowledge of Falsity

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

c. Material Published Prior to Coverage Term

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the later of the following:

- (1) The inception of this Coverage Part; or
- (2) The "coverage term" in which insurance coverage is sought.

d. Criminal Acts

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

e. Contractual Liability

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

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "personal and advertising injury" is caused by or arises out of an offense committed subsequent to the execution of the contract or agreement. When a claim for such "personal and advertising injury" is made, we will defend that claim, provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

f. Breach of Contract

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

g. Quality or Performance of Goods - Failure to Conform to Statements

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

h. Wrong Description of Prices

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

i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, pat-

ent, trademark, trade secret or other intellectual property rights.

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

j. Insureds in Media and Internet Type Businesses

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

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **17. a., b. and c.** of "personal and advertising injury" under **SECTION V - DEFINITIONS.**

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

k. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board any insured hosts, owns, or over which any insured exercises control.

l. Unauthorized Use of Another's Name or Product

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

m. Employment Related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation

or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b) or (c)** above is directed.

This exclusion applies:

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

n. Pollutant

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

o. Pollutant-Related

Any loss, cost or expense arising out of any:

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

p. Asbestos

"Personal and advertising injury" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

q. Additional Insured Prior Knowledge

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that a "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part, prior to the "coverage term" in which such offense

was committed or began to be committed.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that a "personal and advertising injury" offense has been committed or has begun to be committed at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that the "personal and advertising injury" offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

r. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

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

s. Distribution of Material in Violation of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

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

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury on Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation and Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletic Activities

To any person injured while officiating, coaching, practicing for, instructing or participating in any physical exercises or games, sports, or athletic contests or exhibitions of an athletic or sports nature.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

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

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

5. All costs taxed against the insured in the "suit".
6. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by

you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

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

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a)** Owned, occupied or used by; or
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by,

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

- b.** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c.** Any person or organization having proper temporary custody of your property if you die, but only:
 - (1)** With respect to liability arising out of the maintenance or use of that property; and
 - (2)** Until your legal representative has been appointed.

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

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

- a.** Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

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

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

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

- (1) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;**
- (2) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and**
- (3) Damages under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**.**

This General Aggregate Limit will not apply if either the Location General Aggregate

- gate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.
- b. A separate Location General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each location owned by, or rented or leased to you and is the most we will pay for the sum of:
- (1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - (2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**,
- which can be attributed to operations at only a single location owned by, or rented or leased to you.
- c. A separate Construction Project General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each construction project and is the most we will pay for the sum of:
- (1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - (2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;
- which can be attributed only to ongoing operations and only at a single construction project.
- d. Only for the purpose of determining which General Aggregate Limit of Insurance, **2.a.**, **2.b.**, or **2.c.**, applies:
- (1) Location means premises involving the same or connecting lots, or premises, whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
 - (2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on

your behalf at the same location for the same persons or organizations, no matter how often or under how many different contracts, will be deemed to be a single construction project.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to **2.a.** above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; and
 - b. Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to **5.** above, the Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire or explosion, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under **COVERAGE C. MEDICAL PAYMENTS** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

2. Duties in the Event of Occurrence, Offense, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or

a "personal and advertising injury" offense which may result in a claim. To the extent possible, notice should include:

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

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

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

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

3. Legal Action Against Us

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

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

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable

under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for "your work";
 - (b) That is Fire or Explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to

premises rented to you or temporarily occupied by you with permission of the owner; or

- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft.**
- (2) Any other primary insurance available to the insured covering liability for damages arising out of the premises or operations, or the products and completed operations, for which the insured has been added as an additional insured by attachment of an endorsement.
- (3) Any other insurance:
 - (a) Whether primary, excess, contingent or on any other basis, except when such insurance is written specifically to be excess over this insurance; and
 - (b) That is a consolidated (wrap-up) insurance program which has been provided by the prime contractor/project manager or owner of the consolidated project in which you are involved.

When this insurance is excess, we will have no duty under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance

shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If:
 - (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
 - (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

8. Separation of Insureds

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

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

9. Transfer of Rights of Recovery Against Others to Us

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

10. Two or More Coverage Forms or Policies Issued by Us

If this Coverage Part and any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same "occurrence" or "personal and advertising injury" offense, the aggregate maximum limit of insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable limit of insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

11. When We Do Not Renew

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

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

SECTION V - DEFINITIONS

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

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

2. "Authorized representative" means:

- a. If you are designated in the Declarations as:

- (1) An individual, you and your spouse are "authorized representatives".

- (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".

- (3) A limited liability company, your members and your managers are "authorized representatives".

- (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".

- (5) A trust, your trustees are "authorized representatives".

- b. Your "employees":

- (1) Assigned to manage your insurance program; or

- (2) Responsible for giving or receiving notice of an "occurrence", "personal and advertising injury" offense, claim or "suit";

are also "authorized representatives".

3. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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

5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at

- 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
- (1) The day the policy period shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication,

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement to which we agree.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any rail-

road property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

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

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

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

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

- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;

- (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;

- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search

engines; marketing analysis; and providing access to the Internet or other similar networks; or

- (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above.

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

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

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

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

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

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to

permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a., b., c. or d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

- 16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

18. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
- b. The insured uses, generates or produces the "pollutant".

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed; or
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

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

- (1)** The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2)** The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3)** Products or operations for which the classification, listed in the Declarations or in a schedule, states that products-completed operations are included.

20. "Property damage" means:

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

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

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

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c.** An appeal of a civil proceeding.

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

23. "Volunteer worker" means a person who is not your "employee", and who donates his or

her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".

25. "Your product":

a. Means:

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

- (a)** You;
- (b)** Others trading under your name; or
- (c)** A person or organization whose business or assets you have acquired; and

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

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

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

26. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

NUCLEAR ENERGY LIABILITY EXCLUSION

(Broad Form)

1. The insurance does not apply:

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

(1) With respect to which an insured under this Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the insured is, or had this Coverage Part not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

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

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

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an insured, or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by

an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this exclusion:

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

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

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

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

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

"Nuclear facility" means:

A. Any "nuclear reactor";

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

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

D. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

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

NOTICE TO POLICYHOLDERS - MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GA 4250 Mobile Equipment Subject to Motor Vehicle Insurance Laws has been added to your policy.

This endorsement revises the definitions of "mobile equipment" and "auto" to those definitions used prior to the introduction of Commercial General Liability Form, **GA 101 12 04**. This endorsement only applies if you have no Auto Coverage Form in force or the land vehicle does not meet the definition of auto in your Auto Coverage Form.

POLICY NUMBER: ETD 053 03 98

COMMERCIAL GENERAL LIABILITY
CG 20 11 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - MANAGERS OR
LESSORS OF PREMISES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE**Designation Of Premises (Part Leased To You):**5432 BELL FORGE LN E
ANTIOCH, TN 37013-2322**Name Of Person(s) Or Organization(s) (Additional Insured):**LAKESHORE CHRISTIAN CHURCH
5432 BELL FORGE LN E
ANTIOCH, TN 37013**Additional Premium:\$INCL**

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

- A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or

agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: ETD 053 03 98

COMMERCIAL GENERAL LIABILITY
CG 20 11 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - MANAGERS OR
LESSORS OF PREMISES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE**Designation Of Premises (Part Leased To You):**5221 HICKORY HOLLOW PKWY
ANTIOCH, TN 37013**Name Of Person(s) Or Organization(s) (Additional Insured):**CSDCPC INTREPID LLC
800 S GAY ST STE 2021
KNOXVILLE, TN 37929**Additional Premium:\$INCL**

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

- A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or

agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: ETD 053 03 98

COMMERCIAL GENERAL LIABILITY
CG 21 16 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EXCLUSION - DESIGNATED PROFESSIONAL SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services
1. EDUCATORS LEGAL LIABILITY
2. SCHOOL ADMINISTRATORS LEGAL LIABILITY
3.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional service.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

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

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

- a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b.** Testing for a communicable disease;
- c.** Failure to prevent the spread of the disease; or
- d.** Failure to report the disease to authorities.

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

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

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

- a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b.** Testing for a communicable disease;
- c.** Failure to prevent the spread of the disease; or
- d.** Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS COMMERCIAL GENERAL
LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Endorsement - Table of Contents:

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4. Supplementary Payments	10
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6. Newly Formed Or Acquired Organizations	10
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21. Mobile Equipment Redefined	21

B. Limits Of Insurance:

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

1. Employee Benefit Liability Coverage

Each Employee Limit: \$1,000,000
Aggregate Limit: \$3,000,000
Deductible Amount: \$ 1,000

3. Damage To Premises Rented To You

The lesser of:

- a. The Each Occurrence Limit shown in the Declarations; or
- b. \$500,000 unless otherwise stated \$ _____

4. Supplementary Payments

- a. Bail Bonds: \$2,500
- b. Loss Of Earnings: \$ 750

5. Medical Payments

Medical Expense Limit: \$ 10,000

9. Property Damage To Borrowed Equipment

Each Occurrence Limit: \$10,000
Deductible Amount: \$ 250

16. Pollution Exception - Classrooms

Each Occurrence Limit: \$50,000
Deductible Amount: \$ 250

C. Coverages

1. Employee Benefit Liability Coverage

- a. The following is added to **Section I - Coverages**:

Employee Benefit Liability Coverage

(1) Insuring Agreement

- (a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

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

- (b) This insurance applies to damages only if the act, error or omission, is negligently committed in the "administration" of your "employee benefit program"; and

- 1) Occurs during the policy period; or

- 2) Occurred prior to the "first effective date" of this endorsement provided:

- a) You did not have knowledge of a claim or "suit" on or before the "first effective date" of this endorsement.

You will be deemed to have knowledge of a claim or "suit" when any "authorized representative";

- i) Reports all, or any part, of the act, error or omission to us or any other insurer;
- ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and

- b) There is no other applicable insurance.

(2) Exclusions

This insurance does not apply to:

- (a) **Bodily Injury, Property Damage Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

- (b) **Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

(c) Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

(d) Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

(e) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any claim based upon:

- 1) Failure of any investment to perform;
- 2) Errors in providing information on past performance of investment vehicles; or
- 3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

(f) Workers' Compensation And Similar Laws

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

(g) ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

(h) Available Benefits

Any claim for benefits to the extent that such benefits are available, with reasonable

effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

(i) Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

(j) Employment-Related Practices

Any liability arising out of any:

- 1) Refusal to employ;
- 2) Termination of employment;
- 3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment-related practices, acts or omissions; or
- 4) Consequential liability as a result of 1), 2) or 3) above.

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

(3) Supplementary Payments

Section I - Coverages, Supplementary Payments - Coverages A And B also apply to this Coverage.

b. Who Is An Insured

As respects **Employee Benefit Liability Coverage, Section II - Who Is An Insured** is replaced by the following:

- (1) If you are designated in the Declarations as:
 - (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

- (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds but only with respect to the conduct of your business.
 - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- (2) Each of the following is also an insured:
- (a) Each of your "employees" who is or was authorized to administer your "employee benefit program".
 - (b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
 - (c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- (3) Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or ma-

jority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:

- (a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- (b) Does not apply to any act, error or omission that was committed before you acquired or formed the organization.

c. Limits Of Insurance

As respects **Employee Benefit Liability Coverage, Section III - Limits Of Insurance** is replaced by the following:

- (1) The Limits of Insurance shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** and the rules below fix the most we will pay regardless of the number of:
 - (a) Insureds;
 - (b) Claims made or "suits" brought;
 - (c) Persons or organizations making claims or bringing "suits";
 - (d) Acts, errors or omissions; or
 - (e) Benefits included in your "employee benefit program".
- (2) The Aggregate Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- (3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

- (a) An act, error or omission; or
- (b) A series of related acts, errors or omissions, regardless of the amount of time that lapses between such acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

(4) Deductible Amount

- (a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the Deductible Amount stated in the Declarations as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- (b) The Deductible Amount stated in the Declarations applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- (c) The terms of this insurance, including those with respect to:
 - 1) Our right and duty to defend the insured against any "suits" seeking those damages; and
 - 2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or claim,

apply irrespective of the application of the Deductible Amount.
- (d) We may pay any part or all of the Deductible Amount to

effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as we have paid.

d. Additional Conditions

As respects **Employee Benefit Liability Coverage, Section IV - Commercial General Liability Conditions** is amended as follows:

- (1) Item **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** is replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit

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

- (1) What the act, error or omission was and when it occurred; and
- (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

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

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices,

summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

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

- (2) Item **5. Other Insurance** is replaced by the following:

5. Other Insurance

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

a. Primary Insurance

This insurance is primary except when **c.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

c. No Coverage

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Coverage Part.

e. Additional Definitions

As respects **Employee Benefit Liability Coverage, Section V - Definitions** is amended as follows:

- (1) The following definitions are added:

1. "Administration" means:

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Interpreting the "employee benefit programs";
- c. Handling records in connection with the "employee benefit programs"; or

- d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include:

- a. Handling payroll deductions; or
 - b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.
2. "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
3. "Employee benefit programs" means a program providing some of all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all

"employees" who are eligible under the plan for such benefits;

- c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

4. "First effective date" means the date upon which coverage was first effected in a series of uninterrupted renewals of insurance coverage.

(2) The following definitions are deleted in their entirety and replaced by the following:

8. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
21. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
 - c. An appeal of a civil proceeding.

2. Unintentional Failure To Disclose Hazards

Section IV - Commercial General Liability Conditions, 7. Representations is amended by the addition of the following:

Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this Coverage Part based solely on such failure.

3. Damage To Premises Rented To You

- a. The last Paragraph of **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **q.** do not apply to "property damage" by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the **Damage To Premises Rented To You** Limit as described in **Section III - Limits Of Insurance**.

- b. The insurance provided under **Section I - Coverage A - Bodily Injury And Property Damage Liability** applies to "property damage" arising out of or caused by water damage to premises that are both rented to and occupied by you.

- c. As respects Water Damage Legal Liability, as provided in Paragraph **3.b.** above:

The exclusions under **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions**, other than **i. War** and the **Nuclear Energy Liability Exclusion (Broad Form)**, are deleted and the following are added:

This insurance does not apply to:

- (a) "Property damage":
 - (i) Assumed in any contract or agreement; or
 - (ii) Caused by or resulting from any of the following:
 - 1) Wear and tear;
 - 2) Rust or other corrosion, decay, de-

terioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

- 3) Smog;
- 4) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- 5) Settling, cracking, shrinking or expansion;
- 6) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; or
- 7) Presence, growth, proliferation, spread or any activity of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

- (b) "Property damage" caused directly or indirectly by any of the following:

- (i) Earthquake, volcanic eruption, landslide or any other earth movement;
- (ii) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (iii) Water under the ground surface pressing on, or flowing or seeping through:
 - 1) Foundations, walls, floors or paved surfaces;

- 2) Basements, whether paved or not; or
 - 3) Doors, windows or other openings.
- (c) "Property damage" caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, fire protection systems, or other equipment, caused by or resulting from freezing, unless:
- (i) You did your best to maintain heat in the building or structure; or
 - (ii) You drained the equipment and shut off the water supply if the heat was not maintained.
- (d) "Property damage" to:
- (i) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or
 - (ii) The interior of any building or structure, or to personal property in the building or structure caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

c. Limit Of Insurance

With respect to the insurance afforded in Paragraphs **3.a.** and **3.b.** above, the **Damage To Premises Rented To You** Limit as shown in the Declarations is amended as follows:

- (1) Paragraph **6.** of **Section III - Limits Of Insurance** is replaced by the following:
6. Subject to Paragraph **5.** above, the **Damage To Premises Rented To You** Limit is the most we will pay under **Coverage A - Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises:
- a. While rented to you, or temporarily occupied by you with permission of the owner;

- b. In the case of damage by fire, explosion, lightning, smoke or soot, while rented to you; or
- c. In the case of damage by water, while rented to and occupied by you.

- (2) The most we will pay is limited as described in Section **B. Limits Of Insurance, 3. Damage To Premises Rented To You** of this endorsement.

4. Supplementary Payments

Under **Section I - Supplementary Payments - Coverages A And B:**

- a. Paragraph **2.** is replaced by the following:

Up to the limit shown in Section **B. Limits Of Insurance, 4.a.** Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- b. Paragraph **4.** is replaced by the following:

All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual daily loss of earnings up to the limit shown in Section **B. Limits Of Insurance, 4.b.** Loss Of Earnings of this endorsement per day because of time off from work.

5. Medical Payments

The Medical Expense Limit of Any One Person as stated in the Declarations is amended to the limit shown in Section **B. Limits Of Insurance, 5. Medical Payments** of this endorsement.

6. Newly Formed Or Acquired Organizations

Section II - Who Is An Insured, Paragraph **3.a.** is replaced by the following:

- a. Insurance under this provision is afforded only until the end of the policy period.

7. Waiver Of Subrogation

Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of

Recovery Against Others To Us is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization against whom you have agreed to waive such right of recovery in a written contract or agreement because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or written agreement requiring such waiver with that person or organization and included in the "products-completed operations hazard". However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

8. Automatic Additional Insured By Contract, Permit Or Agreement

a. The following is added to Section II - Who Is An Insured:

- (1)** Any person(s) or organization(s) whom you are required to add as an additional insured under this Coverage Part by reason of a written contract, written agreement, written permit or written authorization, provided:
 - (a)** The written contract, written agreement, written permit or written authorization is:
 - (i)** Currently in effect or becomes effective during the policy period; and
 - (ii)** Executed prior to an "occurrence" or offense to which this insurance would apply;
- (2)** They are not specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations.
- (3)** The insurance afforded to additional insureds described in Par-

agraph **8.a.(1)** of this endorsement:

- (a)** Only applies to the extent permitted by law; and
- (b)** Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and
- (c)** Does not apply to any person, organization, vendor, state, governmental agency or subdivision or political subdivision, specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, provided such other provision or endorsement covers the injury or damage for which this insurance applies.

b. With respect to the insurance afforded to the additional insureds described in Paragraph 8.a.(1) of this endorsement, the following is added to Section III - Limits Of Insurance:

The most we will pay on behalf of the additional insured is the amount of insurance:

- (1)** Required by the written contract, written agreement, written permit or written; or
- (2)** Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

c. Section IV - Commercial General Liability Conditions is amended to include the following:

Automatic Additional Insured Provision

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

- (1)** During the policy period; and

- (2) Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraph 8.a.(1).

9. Property Damage To Borrowed Equipment

- a. The following is added to **Exclusion 2.j. Damage To Property** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

Paragraphs (3) and (4) of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

- b. With respect to the insurance provided by this section of the endorsement, the following additional provisions apply:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in Section **B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement with respect to coverage provided by this endorsement. These limits are inclusive of and not in addition to the limits being replaced. The Limits of Insurance shown in Section **B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:

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

(2) Deductible Clause

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated in Section **B. Limits Of Insurance, 9 Property Damage To Borrowed Equipment** of this endorsement. The limits of insurance will not

be reduced by the application of such Deductible Amount.

- (b) **Section IV - Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**, applies to each claim or "suit" irrespective of the amount.

- (c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

10. Broadened Who Is An Insured

- a. **Section II - Who Is An Insured** is amended to include the following as insureds, but only with respect to their duties in connection with the positions described below:

- (1) Any of your trustees or members of your Board of Governors or clergy if you are a private charitable or educational institution;
- (2) Any of your board members or commissioners if you are a public board or commission;
- (3) Any student teachers or student interns who are working or teaching as part of their educational requirements; and
- (4) Each of the following organizations and their members, if they have been specifically authorized by you, and only with respect to their use of your premises and their activities elsewhere that are within the scope of the authorized purpose of such organization:

- (a) Parent support groups;
- (b) Alumni groups; and
- (c) Student groups.

- (5) Any of your former "employees", directors, managers, members, partners or "executive officers", including but not limited to retired, disabled or those on leave of absence, but only for acts within the scope of their employment by you or for duties re-

lated to the conduct of your business.

11. Broadened Notice Of Occurrence

Paragraph **a.** of Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions** is replaced by the following:

- a.** You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
- (1) How, when and where the "occurrence" or offense took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

However, our rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury", "property damage" or "personal and advertising injury" is not covered under this policy.

12. Aircraft, Auto, Or Watercraft Exclusion Revision

With respect to the transportation of students only, **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, g. Aircraft, Auto Or Watercraft** is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading or unloading" or entrustment to others of any aircraft, "auto" or watercraft owned, operated or hired by any insured. For the purpose of this exclusion, the word hired includes any contract to furnish transportation of your students to and from schools.

This exclusion applies even if the claims against the insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by

that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated or hired by any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge.

However, the insurance provided under this Paragraph **(2)**, only applies to the person who, with your consent, either uses or is responsible for the use of a watercraft;

- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".
- (6) "Bodily injury" or "property damage" arising out of or caused by any non-motorized recreational watercraft used for sailing, rowing or sculling that is owned, used by, or rented to an insured.

However, with respect to the insurance provided under this Paragraph (6) only, **Section II - Who Is An Insured** is modified to include as an insured any person or organization legally responsible for the use of any such recreational watercraft used for sailing, rowing or sculling that you own, provided the actual use is with your permission; or

- (7) An aircraft you do not own, provided:
- (a) The pilot in command holds a current effective certificate, issued by a duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
 - (b) The aircraft is rented with a trained, paid crew; and
 - (c) The aircraft does not transport persons or cargo for a charge.

13. Bodily Injury Redefined

Section V - Definitions, 4. "Bodily injury" is replaced by the following:

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.

14. Professional Services Liability Coverage

- a. The following is added to **Section I - Coverages**:

Professional Services Liability Coverage

(1) Insuring Agreement

- (a) We will pay those sums the insured becomes legally obligated to pay as damages as the result of "bodily injury" caused by a "professional incident". We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" to which this insur-

ance does not apply. We may, at our discretion, investigate any "professional incident" and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **Section I - Coverage A - Bodily Injury And Property Damage Liability, Section I - Coverage B - Personal And Advertising Injury Liability, Educational Institutions Commercial General Liability Endorsement, 14. Professional Services Liability Coverage** or medical expenses under **Section I - Coverage C - Medical Payments**.

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

- (b) This insurance applies to injury only if:
 - 1) The "bodily injury" is caused by a "professional incident" that takes place in the "coverage territory"; and
 - 2) The earlier of the following first occurs during the "coverage term":
 - a) The first "bodily injury" arising from the "professional incident" occurs; or

b) The first "bodily injury" arising from the "professional incident" begins to occur.

(c) "Bodily Injury" caused by a "professional incident" shall be deemed to be caused by an "occurrence".

(d) **Section I - Supplementary Payments - Coverages A And B** applies to coverage provided under **14. Professional Services Liability Coverage**.

(2) Exclusions

This insurance does not apply to:

(a) Dishonest, Criminal Or Malicious Acts

"Bodily injury" due to acts, errors or omissions of any insured that are dishonest, criminal or malicious.

(b) Medical Facilities

"Bodily injury" if the college or school owns or operates an infirmary with facilities for lodging and treatment, or a public clinic or hospital.

(c) Physician Or Physician Assistant

Any liability arising out of or caused by the professional service of any physician or physician assistant. However, this exclusion does not apply to your liability arising out of or caused by the professional service of any physician or physician assistant.

(d) Coverage A Exclusions

Any liability or damages excluded under **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions** with the following exception:

Exclusion 2.a. Expected Or Intended Injury is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" which may reasonably be expected to result from the intentional acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

This exclusion does not apply to:

- 1) "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- 2) "Bodily injury" caused by the rendering or failure to render "covered professional services".

b. Who Is An Insured

As respects **Professional Services Liability Coverage, Section II - Who Is An Insured**, Paragraph 2.a.(1)(d) is replaced by the following:

- (d) Arising out of his or her providing or failing to provide professional healthcare services. However, this does not apply to the rendering of or failure to render "covered professional services" by:
- (i) An "employee" within the scope of their employment by you; or
 - (ii) A "volunteer worker" but only while performing duties related to the conduct of your business.

c. Limits Of Insurance

As respects **Professional Services Liability Coverage, Section III - Limits Of Insurance**, is amended as follows:

- (1) Paragraph 2.a. is replaced by the following:

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

- (1) Medical expenses under **Coverage C - Medical Payments**;
- (2) Damages under **Coverage A - Bodily Injury And Property Damage Liability**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
- (3) Damages under **Coverage B - Personal And Advertising Injury Liability**; and
- (4) Damages under **Educational Institutions Commercial General Liability Endorsement, 14. Professional Services Liability Coverage**.

This General Aggregate Limit will not apply if either the Location General Aggregate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.

- (2) Paragraph **5.** is replaced by the following:

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

- a. Damages under **Coverage A - Bodily Injury And Property Damage Liability** because of all "bodily injury" and "property damage" arising out of any one "occurrence";
- b. Medical expenses under **Coverage C - Medical Payments** because of all "bodily injury" arising out of any one "occurrence"; and

- c. Damages under **Educational Institutions Commercial General Liability Endorsement, 14. Professional Services Liability Coverage** because of:

- 1) All injury resulting from a series of acts or omissions in rendering "covered professional services" to one person; or
- 2) All injury arising out of or in connection with the continuous or repeated exposure to substantially the same conditions;

shall be considered as arising from one "professional incident" regardless of the time frame over which such "professional incidents" or injury occur. A "professional incident" shall be deemed to have first occurred in the "coverage term" in which the earliest "professional incident" occurred.

d. Additional Conditions

As respects **Professional Services Liability Coverage, Section IV - Commercial General Liability Conditions, 5. Other Insurance, b. Excess Insurance** is replaced by the following:

5. If other valid and collectable insurance is available to the insured for a loss we cover under **Professional Services Liability Coverage**, our obligations are limited as follows:

b. Excess Insurance

This insurance is excess over:

- (1) Any other valid and collectable insurance whether primary, excess, contingent or on any other basis.
- (2) When this insurance is excess, we will have no

duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit".

- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured retention amounts under all that other insurance.

Other valid and collectible insurance includes, but is not limited to, policies or insurance programs purchased or established by or on behalf of a named insured or employer to insure against liability arising from activities of the named insured or employer, its employees, including law enforcement personnel, whether primary, excess, contingent, or on any other basis. The person seeking coverage shall cooperate with us to determine the existence, availability and coverage of any such other insurance policy, insurance program or defense or indemnification arrangement.

Other valid and collectible insurance does not include any umbrella policy issued by us or any coverage specifically issued by us as excess over this policy. Nothing in this provision

shall be construed to require any such umbrella or excess coverage issued by us to apply unless and until all other valid and collectible insurance is exhausted.

e. Additional Definitions

As respects **Professional Services Liability Coverage, Section V - Definitions**, is amended as follows:

1. "Covered professional services" means educational counseling services, professional nursing, emergency medical technician, paramedics, psychological or psychometric counseling, athletic training, or speech, hearing, occupational or physical therapy service, treatment or advice.
2. "Professional incident" means any act or omission in the providing or failure to provide "covered professional services" by your "employee" or your "volunteer worker" to your "employees" or students.

15. Medical Malpractice - Clinics, Hospitals And Infirmaries Exclusion

Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions and **Section I - Coverage B - Personal And Advertising Injury Liability, 2. Exclusions** are amended to include the following:

Medical Malpractice - Clinics, Hospitals and Infirmaries

If the college or school owns or operates an infirmary with facilities for lodging and treatment, or a public clinic or hospital, this insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" caused by:

- a. The rendering or failure to render:
- (1) Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;
 - (2) Any health or therapeutic service, treatment, advice or instruction; or
 - (3) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement,

hair removal or replacement or personal grooming.

- b. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
- c. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

16. Pollution Exception - Classrooms

- a. **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, f. Pollutant, (1)(a)** is amended to include the following:

However, **f. Pollutant, (1)(a)** does not apply to "bodily injury" or "property damage" that is caused, in whole or in part, by activities usual to classroom instruction on premises you own or rent.

- b. **Section III - Limits Of Insurance, Paragraph 5.** is replaced by the following:

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

- a. Damages under **Coverage A - Bodily Injury And Property Damage Liability;** and

- b. Medical expenses under **Coverage C - Medical Payments;**

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

However, the most we will pay for any coverage available per **16. Pollution Exception - Classrooms** is the **Pollution Exception - Classrooms** Each Occurrence Limit as indicated in **Section B. Limits Of Insurance, 16. Pollution Exception - Classrooms** of this endorsement. This amount is included within and is not in addition to the Each Occurrence Limit.

17. School Broadcasting And Publication

- a. **Section I - Coverage B - Personal And Advertising Injury Liability, 2. Exclusions, j. Insureds In Media And Internet Type Businesses, Paragraph (1)** does not apply within

the scope of your activities as a school.

- b. **Section IV - Commercial General Liability Conditions,** is amended to include the following:

Retraction Or Correction Of Erroneous Matter

Retraction or correction shall be promptly made of any matter which has been published or broadcast through error, mistake, or which is untrue.

- c. **Section I - Coverage B - Personal And Advertising Injury Liability, 2. Exclusions** is amended to include the following:

This insurance does not apply to:

- (1) "Personal and advertising injury" arising out of or caused by the actual or alleged unauthorized collection, use or dissemination of internet user information through web cookies or other online profiling purposes by or on behalf of the insured or for the unlawful access to or invasion of any computer software, operating system or network electronic mail or voice mail system by or on behalf of the insured.
- (2) "Personal and advertising injury" arising out of any claim or "suit" made by any music licensing entity on their behalf or for others alleging the insured's failure to procure or maintain requisite licenses or payment of royalties.
- (3) "Personal and advertising injury" arising out of or caused by an investigation or proceeding initiated by an administrative or regulatory agency, including, but not limited to, the Federal Trade Commission or the Federal Communications Commission.

- d. **Section V - Definitions, 1. "Advertisement"** is replaced by the following:

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

- (a) Notices that are published include material placed on the Internet or on similar electronic means of communication, but only with respect to your goods, products or services for purpose of attracting customers or supporters; and
- (b) Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

18. Restraint Or Removal Of A Student

Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, a. Expected Or Intended Injury is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

This exclusion does not apply to:

- (1) "Bodily injury" or "property damage" arising or resulting from the use of reasonable force to protect persons or property;
- (2) "Bodily injury" arising or resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your function, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts and if such reasonable force is administered in compliance with your rules and regulations; or
- (3) "Bodily injury" arising or resulting from corporal punishment to your student administered by or at the direction of any insured pursuant to the named insured's accepted or approved guidelines and not in violation of any state or federal law or regulation.

19. Worldwide Liability Coverage Extension

- a. **Section I - Coverage A - Bodily Injury And Property Damage Liability, Coverage B - Personal And Advertising Injury Liability, and Coverage C - Medical Payments** are amended by adding the following to their insuring agreements:

With regard to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, we will pay you for any reasonable expenses incurred with our written consent in the investigation, settlement or defense of said claim or "suit". However:

- (1) The amount we will pay for judgments or settlements is limited as described in **Section III - Limits Of Insurance**; and
- (2) Our duty to pay the reasonable cost of any investigation and defense ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under any coverage provided by this Coverage Part.

With regard only to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, the insured must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However:

- (1) All such investigation, defense and settlement negotiations must be conducted under our supervision; and
- (2) Settlement of a claim or "suit" may only be made with our prior written authorization.

- b. **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions and Coverage B -**

Personal And Advertising Injury Liability, 2. Exclusions, are amended to include the following:

This insurance does not apply to:

- (1) Any liability arising out of the ownership, maintenance or use of premises located outside of the territory described in Paragraph **a.** of the definition of "coverage territory"; or
- (2) Any liability arising out of operations on the premises described in Paragraph (1) above or elsewhere which are necessary or incidental to the ownership, maintenance or use of those premises; or
- (3) Any liability arising out of goods or products manufactured or distributed from any premises described in (1) above.

c. Section IV - Commercial General Liability Conditions is amended as follows:

- (1) The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**, but only with regard to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory" as modified by **19. Worldwide Liability Coverage Extension, d.1.:**

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, the insured must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However:

- (a) All such investigation, defense and settlement negotiations must be conducted under our supervision; and
 - (b) Settlement of a claim or "suit" may only be made with our prior written authorization.
- (2) The following is added to Condition **5. Other Insurance:**
With regard to claims or "suits" brought outside of the United

States of America (including its territories and possessions), Puerto Rico and Canada, to which this insurance applies:

- (a) We will have no duty under any coverage of this endorsement to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers; and
 - (b) We will pay only our share of the amount of loss, if any, that exceeds the sum of:
 - (i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (ii) The total of all deductible and self-insured amounts under all that other insurance.
- (3) The following Conditions are hereby added:

(a) Office Of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this endorsement would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

(b) Required Insurance

This insurance is not a replacement for "required insurance". Insureds must conform with all laws mandating "required insurance". An insured's non-compliance with any such law(s) shall not abrogate the insurance provided under this Coverage Part. Nevertheless, our liability in the event of an insured's non-compliance with a "required insurance" law(s) will be, with regard to claims or "suits" to which both this insurance and any "required

insurance" would apply, no greater than it would have been had the insured been in compliance with the "required insurance" law(s).

We shall not be liable for nor will we pay any fees, fines or penalties which are the result of an insured's noncompliance with any "required insurance" law(s).

(c) Currency

The Limits of Insurance set forth in the Declarations for this Coverage Part are denominated in the currency of the United States of America (U.S. dollars). Any payments we make under the terms of this Coverage Part outside of the United States of America in a currency other than United States dollars shall be made at the prevailing currency exchange rate on the date a settlement is made, a judgment is rendered or other payable or indemnifiable expenses are agreed to by us.

In no event shall the total amounts payable or indemnifiable exceed the Limits of Insurance in United States currency for the applicable policy period of portion thereof.

d. Section V - Definitions is amended as follows:

1. Definition 6. "Coverage territory" is replaced by the following:

6. "Coverage territory" means:

- a.** The United States of America (including its territories and possessions), Puerto Rico and Canada; or
- b.** All parts of the world (except those where a United States of America Department of State ban is in effect at the time of the "occurrence"

or offense, or when a claim or "suit" is brought), if the injury or damage arises out of:

(1) An "occurrence" or offense caused by an insured while performing duties related to the conduct of your business and your business is located within the territory described in **a.** above; or

(2) Goods or products made or sold by you in the territory described in **a.** above.

2. The following definition is added:

"Required insurance" means any insurance which an insured is obligated to buy from domestic or licensed insurance companies under the laws of any territory, other than the territory described in Paragraph **a.** of the definition of "coverage territory".

20. Fellow Employee Coverage

Section II - Who Is An Insured is amended as follows:

Paragraphs **2.a.(1)(a)** and **2.a.(1)(b)** are replaced by the following:

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

(a) To you.

21. Mobile Equipment Redefined

Section V - Definitions, 15. "Mobile equipment", f.(1) is replaced by the following:

(1) Equipment designed primarily for:

- (a)** Snow removal;
- (b)** Road maintenance, but not construction or resurfacing; or
- (c)** Street cleaning;

However, Paragraphs **(a)**, **(b)** and **(c)** do not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS' SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIABILITY

SCHEDULE

Sexual Misconduct or Sexual Molestation Each Claim Limit: \$ 1,000,000

Sexual Misconduct or Sexual Molestation Aggregate Limit: \$ 2,000,000

Outside Counseling Service Each Claim Limit: \$ 5,000

Outside Counseling Service Aggregate Limit: \$ 5,000

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Except for the insurance provided by this endorsement, the Coverage Part to which this endorsement is attached does not apply to any claim or "suit" seeking "bodily injury", "property damage" or "personal and advertising injury" related to, arising out of, directly or indirectly resulting from, or in consequence of:

1. Any actual or alleged act of "sexual misconduct or sexual molestation" by anyone of any person while in the care, custody or control of any insured; or
2. The negligent employment, investigation, supervision, reporting to or failing to report to the proper authorities, or retention of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

B. SECTION I - COVERAGES: is modified to include the following:

SEXUAL MISCONDUCT OR SEXUAL MOLESTATION COVERAGE

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of injury to a person arising out of an act of "sexual misconduct or sexual molestation" to which this insurance applies. Unless otherwise stated in Section **F.**, Paragraph **2.**, **5. Other Insurance**, Item **b.** of this endorsement, we will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "sexual misconduct or

sexual molestation" to which this insurance does not apply. We may, at our discretion, investigate any act of "sexual misconduct or sexual molestation" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **E. SECTION III - LIMITS OF INSURANCE** of this endorsement; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under the insurance provided by this endorsement.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS**.

b. This insurance applies to injury only if:

- (1) The injury is caused by "sexual misconduct or sexual molestation" that takes place in the "coverage territory";
- (2) The "sexual misconduct or sexual molestation" occurs during the policy period; and
- (3) Prior to the "coverage term" in which "sexual misconduct or sexual molestation" occurs, you did not know, per Paragraph **1.d.** below that the "sexual misconduct or sexual molestation" had

occurred or had begun to occur, in whole or in part.

c. "Sexual misconduct or sexual molestation" which:

- (1) Occurs during the "coverage term"; and
- (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have occurred;

includes any continuation, change or resumption of that "sexual misconduct or sexual molestation" after the end of the "coverage term" in which it first became known by you.

d. You will be deemed to know that "sexual misconduct or sexual molestation" has occurred at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "sexual misconduct or sexual molestation" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "sexual misconduct or sexual molestation";
- (3) First observes, or reasonably should have first observed, the "sexual misconduct or sexual molestation";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "sexual misconduct or sexual molestation" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "sexual misconduct or sexual molestation" was substantially certain to occur.

e. For this endorsement only:

With regard to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, we will pay you for any reasonable expenses in-

curred with our written consent in the investigation, settlement or defense of said claim or "suit". However:

- (1) The amount we will pay for judgments or settlements is limited as described in **E. SECTION III - LIMITS OF INSURANCE**; and

- (2) Our duty to pay the reasonable cost of any investigation and defense ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under any coverage provided by this Coverage Part.

f. With regard only to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, the insured must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However:

- (1) All such investigation, defense and settlement negotiations must be conducted under our supervision; and
- (2) Settlement of a claim or "suit" may only be made with our prior written authorization.

2. EXCLUSIONS

This insurance does not apply:

a. To an insured:

- (1) Who actually or allegedly personally participated in or condoned any act of "sexual misconduct or sexual molestation"; or
- (2) Who actually or allegedly purposefully violated any statute, rule, regulation, agreement or judicial or regulatory order.

However, Paragraph **a.** above shall not apply unless and until one of the following occurs:

- (1) The insured is convicted of a criminal offense arising from the alleged "sexual misconduct or sexual molestation";
- (2) The insured pleads guilty or no contest to a criminal charge or

charges arising from the alleged "sexual misconduct or sexual molestation";

- (3) The insured admits to their personal participation in or condoning of the alleged "sexual misconduct or sexual molestation"; or
 - (4) The insured's personal participation in or condoning of the alleged "sexual misconduct or sexual molestation" is determined to have occurred by a court of competent jurisdiction in a civil action, at which point our duty to defend the insured or pay damages on behalf of the insured shall cease.
- b. To the cost of defense of, or the cost of paying any fines for any person resulting from actual or alleged violation of any penal or criminal statute.
 - c. To any injury arising out of any actual or alleged violation of a penal statute or ordinance committed by or with the knowledge or consent of any insured.
 - d. To liability assumed by the insured under any contract or agreement. However, this exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
 - e. To any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
 - f. To any injury to:
 - (1) An "employee" of the insured sustained in the "workplace";
 - (2) An "employee" of the insured arising out of the performance of duties related to the conduct to the insured's business; or
 - (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

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

- g. To any exemplary or punitive damages.
- h. To an insured who is a registered sex offender in any jurisdiction and the insured's status as a sex offender occurred prior to the date of any alleged act or subsequent injury provided by this endorsement.

3. **SUPPLEMENTARY PAYMENTS** apply to the insurance provided by this endorsement.

- C. **SECTION I - COVERAGES** is modified to include the following:

OUTSIDE COUNSELING SERVICE COVERAGE

1. Insuring Agreement

- a. We will reimburse you the reasonable expenses for professional mental health services you incur on behalf of the claimant making the allegation of "sexual misconduct or sexual molestation". We have no duty to defend an insured against any claim or "suit" seeking the cost or expense of professional mental health services. We will only pay if:

- (1) The "sexual misconduct or sexual molestation" was alleged to have been committed by an insured;
- (2) The "sexual misconduct or sexual molestation" occurred in the "coverage territory" and during the "coverage term"; and
- (3) The professional mental health organization or person providing the mental health service is not an insured under this endorsement.

- b. We will make these payments regardless of fault and the amount we will pay:

- (1) For professional mental health expense is limited as described in **E. SECTION III - LIMITS OF INSURANCE** of this endorsement; and
- (2) Payment under this coverage does not mean we are liable for any other payment under this endorsement.

- D. For this endorsement only, **SECTION II - WHO IS AN INSURED** is modified as follows:

1. Paragraph **2.a.(1)** is deleted in its entirety and replaced by the following:

(1) "Sexual misconduct or sexual molestation":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

2. Paragraph 2. is modified to include as an insured any of the following but only with respect to their duties in connection with the positions described below:

- a. Any of your trustees or members of your Board of Governors or clergy if you are a private educational institution.
- b. Any of your board members or commissioners if you are a public board or commission.
- c. Any student teachers or student interns who are working or teaching as part of their educational requirements.

However, none of these student teachers or student interns are insureds for:

(1) "Sexual misconduct or sexual molestation":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to your "employees", to your

"volunteer workers", to a co-student teacher or co-student intern while in the course of performing duties related to the conduct of your business;

- (b) To the spouse, child, parent, brother or sister of that "employee", "volunteer worker", co-student teacher or co-student intern as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

E. **SECTION III - LIMITS OF INSURANCE** is deleted in its entirety and replaced with the following:

- 1. The Limits of Insurance shown in the **EDUCATIONAL INSTITUTIONS' SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIABILITY SCHEDULE** and the rules below fix the most we will pay regardless of the number of:

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

- 2. For **B. SECTION I - COVERAGES, Sexual Misconduct or Sexual Molestation Coverage**:

- a. Subject to Paragraph b. below, the Sexual Misconduct or Sexual Molestation Each Claim Limit is the most we will pay for the sum of damages under **B. SECTION I - COVERAGES, Sexual Misconduct or Sexual Molestation Coverage** arising out of one claim or "suit"; and
- b. The Sexual Misconduct or Sexual Molestation Aggregate Limit is the most we will pay for the sum of damages under **B. SECTION I - COVERAGES, Sexual Misconduct or Sexual Molestation Coverage** for all claims or "suits" to which this insurance applies.

3. For **C. SECTION I - COVERAGES, Outside Counseling Service Coverage**:

- a. Subject to Paragraph **b.** below, the Outside Counseling Service Each Claim Limit is the most we will pay for the sum of expenses under **C. SECTION I - COVERAGES, Outside Counseling Service Coverage** arising out of one claim or "suit"; and
- b. The Outside Counseling Service Aggregate Limit is the most we will pay for the sum of expenses under **C. SECTION I - COVERAGES, Outside Counseling Service Coverage** for all claims or "suits" to which this insurance applies.

The Limits of Insurance of this endorsement apply separately to each "coverage term".

F. For this endorsement only, **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is modified as follows:

- 1. Condition **2. Duties in the Event of Occurrence, Offense, Claim or Suit** is deleted in its entirety and replaced with the following:
- 2. **Duties in the Event of Occurrence, Offense, Sexual Misconduct or Sexual Molestation, Claim or Suit**
 - a. You must see to it that we are notified as soon as practicable of an "occurrence", offense or "sexual misconduct or sexual molestation" which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence", offense or "sexual misconduct or sexual molestation" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence", offense or "sexual misconduct or sexual molestation".
 - b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

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

- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent. However, this paragraph does not apply to **C. SECTION I - COVERAGES, Outside Counseling Service Coverage**.
- 2. For this endorsement only, Condition **5. Other Insurance** is deleted in its entirety and replaced by the following:
 - 5. **Other Insurance**
 - a. This insurance is excess over any other valid and collectible insurance other than insurance written specifically to be excess over this insurance.
 - b. With regard to claims or "suits" brought outside of the United States of America (including its territories and possessions), Puerto Rico and Canada, to which this insurance applies:
 - (1) We will have no duty under any coverage of this endorsement to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but

we will be entitled to the insured's rights against all those other insurers; and

- (2) We will pay only our share of the amount of loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

3. The following condition is added:

OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE

Whenever insurance coverage provided by this endorsement would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

4. The following condition is added:

REQUIRED INSURANCE

This insurance is not a replacement for "required insurance". Insureds must conform with all laws mandating "required insurance". An insured's noncompliance with any such law(s) shall not abrogate the insurance provided under this endorsement. Nevertheless, our liability in the event of an insured's noncompliance with a "required insurance" law(s) will be, with regard to claims or "suits" to which both this insurance and any "required insurance" would apply, no greater than it would have been had the insured been in compliance with the "required insurance" law(s).

We shall not be liable for nor will we pay any fees, fines or penalties which are the result of an insured's noncompliance with any "required insurance" law(s).

5. The following condition is added:

CURRENCY

The Limits of Insurance set forth in the **SCHEDULE** of this endorsement are denominated in the currency of the United States of America (U.S. dollars). Any payments we make under the terms of this endorsement outside of the United States of America in a currency other than United States dollars shall be made at the prevailing currency exchange rate on the date a settlement is made, a judgment is

rendered or other payable or indemnifiable expenses are agreed to by us.

In no event shall the total amounts payable or indemnifiable exceed the Limits of Insurance in United States currency for the applicable policy period or portion thereof.

G. SECTION V - DEFINITIONS is amended as follows:

1. The following definitions are hereby added:

a. "Required insurance" means any insurance which an insured is obligated to buy from domestic or licensed insurance companies under the laws of any territory, other than the territory described in Paragraph a. of the definition of "coverage territory".

b. "Sexual misconduct or sexual molestation" means:

(1) An unwelcomed, nonconsensual, offensive or illegal verbal or non-physical acts of a sexual nature; and

(2) Actual or alleged physical misconduct or physical molestation arising out of a single, continuous or repeated exposure of one or more persons to acts of a sexual nature

committed by:

(1) One person; or

(2) Two or more persons acting together or in related acts or series of acts.

However, "sexual misconduct or sexual molestation" does not include employment-related sexual harassment.

For purposes of determining what we will pay under this coverage:

(1) All injury arising out of or in connection with all covered claims or "suits" of "sexual misconduct or sexual molestation" by the same person, or two or more persons acting together; and

(2) All injury arising out of or in connection with a series of "sexual misconduct or sexual molestation" claims or "suits"; and

(3) All injury arising out of or in connection with the continuous or repeated exposure to "sexual

misconduct or sexual molesta-
tion",

shall be considered as arising from one claim or "suit" of "sexual misconduct or sexual molestation" regardless of the time frame over which such "sexual misconduct or sexual molestation" occurred.

2. For purposes of this endorsement only, the definition of "employee" is deleted in its entirety and replaced with the following:

"Employee" includes a "leased worker" or substitute teacher. "Employee" does not include a "temporary worker".

3. For this endorsement only, the definition of "suit" is deleted and replaced with the following:

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

- a. An arbitration proceeding in which such damages are claimed and to

which the insured must submit or does submit with our consent;

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

4. For this endorsement only, the definition of "coverage territory" is deleted and replaced by the following:

"Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada; or
- b. All parts of the world (except those where a United States economic or trade sanction or travel ban is in effect at the time of the "sexual misconduct or sexual molestation", or when a claim or "suit" is brought), if the injury or damage arises out of an act of "sexual misconduct or sexual molestation" caused by an insured while performing duties related to the conduct of your business and your business is located within the territory described in **a.** above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY - WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** Exclusion **2.s.** of **Section I - Coverage A - Bodily Injury and Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- s. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

ing out of that which is described in Paragraph **(1)** or **(2)** above.

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

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

2. Exclusions

This insurance does not apply to:

Access or Disclosure of Confidential or Personal Information

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - NEURODEGENERATIVE INJURY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following is added to **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions:**

This insurance does not apply to:

Neurodegenerative Injury

Damages for "bodily injury" arising from a "neurodegenerative injury" to a "participant" resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" involved participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

- B.** The following is added to **Section I - Coverage B - Personal and Advertising Injury Liability, 2. Exclusions:**

This insurance does not apply to:

Neurodegenerative Injury

Damages for "personal and advertising injury" arising from a "neurodegenerative injury" to a "participant" resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

- C.** For this endorsement only, the following is added to **Section V - Definitions:**

1. "Neurodegenerative injury" means any actual or alleged, head injury, brain injury, neurological injury, neurocognitive injury or brain neurological or neurocognitive disorder, disease, condition or dysfunction, including, but not limited to, Alzheimer's disease, Parkinson's disease, amyotrophic lateral sclerosis, mild traumatic brain injury, brain injury, repetitive brain trauma, cumulative brain trauma, chronic traumatic encephalopathy, dementia, cognitive injury or disorder, memory loss, loss of concentration, anxiety disorder, mood disorder, depression, sleeplessness, impulse control problems, headaches, speech and language impairment, post-concussion syndrome, second-impact syndrome, or single or repetitive concussive or sub-concussive injury or trauma or any injury or condition identified within the medical field as a neurodegenerative consequence of brain or head injury.
2. "Participant" means any person engaged in any athletic activities. "Participant" does not include spectators, referees, umpires or coaching staff.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto or Watercraft

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

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises that you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.

(2) or f. (3) of the definition of "mobile equipment".

B. SECTION II - WHO IS AN INSURED is amended to include:

4. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:
 - a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
 - b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

C. SECTION V - DEFINITIONS, 3. "Auto" and 15. "Mobile equipment" are replaced by the following:

3. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b. Vehicles maintained for use solely on or next to premises you own or rent;
 - c. Vehicles that travel on crawler treads;

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

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

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

e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

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

D. This endorsement does not apply to any liability arising from an "occurrence" caused by or arising from any land vehicle if:

1. You have an Auto Coverage Form in force at the time of the "occurrence"; and

2. The land vehicle meets the definition of auto in your Auto Coverage Form or policy, regardless of whether or not such land vehicle is:

a. A covered auto under such Auto Coverage Form or policy; or

b. Specifically described on a schedule of covered autos on your Auto Coverage Form or policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**BODILY INJURY EXCEPTIONS TO POLLUTANT EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

For purposes of insurance provided by this endorsement:

1. Sudden and Accidental Exception

Exclusion **f. Pollutant, (1)(a) and (1)(d) of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** do not apply to "bodily injury" provided:

- a. The "release" of "pollutants" from which the "bodily injury" arises is "sudden" and "accidental"; and
- b. The injured person's first exposure to such "pollutants" occurred during the policy period; and
- c. The injured person is clinically diagnosed or treated by a physician for the "bodily injury" caused by exposure to such "pollutants" within one year of such first exposure.

2. Amendment to On Premises Exception

The on premises exception to the Pollutant Exclusion, **f.(1)(a)1 c) of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, is deleted in its entirety and replaced by the following:

- c) Within one year of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph **c)** does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

3. Off Premises Exception

Exclusion **f. Pollutant (1)(d) of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply to "bodily injury" that is caused by "gaseous or airborne pollutants" provided:

- a. The injured person's first exposure to "gaseous or airborne pollutants" occurred during the policy period; and

- b. The injured person is clinically diagnosed or treated by a physician for the "bodily injury" caused by the exposure to "gaseous or airborne pollutants" within one year of such first exposure.

4. Amended Who Is An Insured

As respects the insurance provided by Paragraphs **1.** and **3.** of this endorsement, the **Sudden and Accidental Exception** and the **Off Premises Exception, SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced by the following:

The coverage afforded shall apply only to Named Insureds. We shall have no duty to defend or pay damages for any person or organization that is not a Named Insured.

5. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS 5. Other Insurance

b. Excess Insurance is amended to include the following:

The insurance provided by Paragraphs **1. Sudden and Accidental Exception** and **3. Off Premises Exception**, of this endorsement is excess over any other valid and collectible insurance, whether primary, excess, contingent or on any other basis, except insurance written specifically to cover as excess over the limits of insurance that apply in this endorsement.

6. As respects the insurance provided by Paragraphs 1. and 3. of this endorsement, SECTION V - DEFINITIONS is amended to add the following:

- 1. "Accidental" means unintended and unexpected.
- 2. "Gaseous or airborne pollutants" means "pollutants" which:
 - (a) Are a gas, smoke, fume, vapor or other similar airborne substance; and
 - (b) Are the result of the "release" of such "pollutants" from materials, machinery or equipment brought on or to the "work site" by any Named Insured or any "employees", contractors or subcontractors working di-

rectly or indirectly on any Named Insured's behalf.

"Gaseous or airborne pollutants" does not include asbestos or lead.

3. "Release" means actual discharge, dispersal, seepage, migration, release, escape or emission.
4. "Sudden" means abrupt, immediate and brief as well as unexpected and without prior notice. "Sudden" has a temporal element which requires that the "release" of "pollutants" begins and ends within a brief period of time. A "release" of a

"pollutant" which results from a series of ongoing events which constitute a course of conduct or course of business is not "sudden".

5. "Work site" means any premises, site or location while a Named Insured or a Named Insured's "employees", contractors or subcontractors are performing operations directly or indirectly on the Named Insured's behalf, provided the premises, site or location is not owned or occupied by or rented or loaned to a Named Insured.

The Cincinnati Insurance Company

A Stock Insurance Company

EDUCATIONAL INSTITUTIONS CRIME COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER: ETD 053 03 98

Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.

Item Location (address)

Employee Benefit Plan(s) Included as Insureds:
METRO NASHVILLE PUBLIC SCHOOLS

Coverage is Written:

☒ **Primary** ☐ **Excess**

Coverage is provided only for the Crime Coverage for which a Limit of Insurance is shown below:

Insuring Agreements Forming Part of This Coverage Part	Limit of	Deductible
	Insurance Per Occurrence	Amount Per Occurrence
1. Employee Theft	\$1,000,000	\$2,500
2. Forgery or Alteration	\$100,000	\$500
3. Inside the Premises - Theft of Money and Securities	\$100,000	\$500
4. Inside the Premises - Robbery or Safe Burglary of Other Property	\$100,000	\$500
5. Outside the Premises	\$100,000	\$500
6. Computer Fraud	\$100,000	\$500
7. Funds Transfer Fraud	\$100,000	\$500
8. Money Orders and Counterfeit Money	\$100,000	\$500

If added by Endorsement, Insuring Agreement(s):

\$	\$
\$	\$
\$	\$
\$	\$

Forms and endorsements applicable to this Coverage Part at policy inception:

CR0020 05/06 **COMMERCIAL CRIME COVERAGE FORM (DISCOVERY FORM)**

CA440 08/07 **COMMERCIAL CRIME COVERAGE FORM AMENDATORY ENDORSEMENT**

The Educational Institutions Crime Coverage Part consists of this Declarations Form and the Commercial Crime Coverage Form (Discovery Form).

COMMERCIAL CRIME COVERAGE FORM (DISCOVERY FORM) - TABLE OF CONTENTS

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COMMERCIAL CRIME COVERAGE FORM

(DISCOVERY FORM)

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

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

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

A. Insuring Agreements

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

1. Employee Theft

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

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

2. Forgery or Alteration

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

(1) Made or drawn by or drawn upon you; or

(2) Made or drawn by one acting as your agent;

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

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

b. If you are sued for refusing to pay any instrument covered in Paragraph **2.a.**, on the basis that it has been

forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Inside The Premises - Theft of Money and Securities

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

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

(2) Resulting directly from disappearance or destruction.

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

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

4. Inside the Premises - Robbery or Safe Burglary of Other Property

a. We will pay for loss of or damage to "other property":

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

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

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

- c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

5. Outside the Premises

- a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

6. Computer Fraud

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

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

7. Funds Transfer Fraud

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

8. Money Orders and Counterfeit Money

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

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

B. Limit of Insurance

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

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

one of those Insuring Agreements or Coverages.

C. Deductible

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

D. Exclusions

1. This insurance does not cover:

a. Acts Committed by You, Your Partners or Your Members

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

- (1) You; or
- (2) Any of your partners or "members";

whether acting alone or in collusion with other persons.

b. Acts of Employees Learned of by You Prior to the Policy Period

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

c. Acts Of Employees, Managers, Directors, Trustees or Representatives

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

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

except when covered under Insuring Agreement A.1.

d. Confidential Information

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, pat-

ents, trade secrets, processing methods or customer lists; or

- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

e. Governmental Action

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

f. Indirect Loss

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

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
- (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

g. Legal Fees, Costs and Expenses

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

h. Nuclear Hazard

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

i. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

j. War and Military Action

Loss or damage resulting from:

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

2. Insuring Agreement A.1. does not cover:

a. Inventory Shortages

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

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

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

b. Trading

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

c. Warehouse Receipts

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

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

a. Accounting or Arithmetical Errors or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges or Purchases

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

c. Fire

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

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

d. Money Operated Devices

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

e. Motor Vehicles or Equipment and Accessories

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

f. Transfer or Surrender of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (a) On the basis of unauthorized instructions;
 - (b) As a result of a threat to do bodily harm to any person;
 - (c) As a result of a threat to do damage to any property;
 - (d) As a result of a threat to introduce a denial of service attack into your computer system;
 - (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;
 - (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or
 - (g) As a result of a threat to disseminate, divulge or utilize:
 - (i) Your confidential information; or

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

- (2) But, this Exclusion does not apply under Insuring Agreement **A.5.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of any threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

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

h. Voluntary Parting of Title to or Possession of Property

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

4. Insuring Agreement **A.6. does not cover:****a. Credit Card Transactions**

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

b. Funds Transfer Fraud

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

c. Inventory Shortages

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

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

5. Insuring Agreement **A.7.** does not cover:

COMPUTER FRAUD

Loss resulting from the use of a computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. Conditions

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

1. Conditions Applicable to all Insuring Agreements

a. Additional Premises or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation or Fraud

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

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

c. Consolidation - Merger or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

- (1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this insurance to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but

- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

d. Cooperation

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

e. Duties in the Event of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

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

f. Employee Benefit Plans

- (1) The "employee benefit plans" shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.**
- (2) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for Insuring Agree-

ment **A.1.** that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.

- (3) With respect to loss sustained or "discovered" by any such Plan, Insuring Agreement **A.1.** is replaced by the following:

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

- (4) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (5) If two or more Plans are insured under this insurance, any payment we make for loss:
- (a) Sustained by two or more Plans; or
 - (b) Of commingled "funds" or "other property" of two or more Plans;
 resulting directly from an "occurrence" will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limit of Insurance of all Plans sustaining loss.
- (6) The Deductible Amount applicable to Insuring Agreement **A.1.** does not apply to loss sustained by any Plan.

g. Extended Period to Discover Loss

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

- (1) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insur-

ance provides coverage for loss sustained prior to its effective date.

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

h. Joint Insured

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured, or partner, "member" or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.
- (4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:
- (a) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
 - (b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

- (6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an "employee benefit plan", shall fully release us on account of such loss.

i. Legal Action Against Us

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

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

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

j. Liberalization

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

k. Other Insurance

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

(1) Primary Insurance

When this insurance is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:

- (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

- (ii) The Deductible Amount shown in the Declarations;

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

(2) Excess Insurance

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

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

l. Ownership of Property; Interests Covered

The property covered under this insurance is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others whether or not you are legally liable for the loss of such property.

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

m. Policy Bridge - Discovery Replacing Loss Sustained

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

at the time this insurance became effective:

- (a) We will not pay for any loss that occurred during the Policy Period of that prior insurance which is "discovered" by you during the extended period to "discover" loss, unless the amount of loss exceeds the Limit of Insurance and Deductible Amount of that prior insurance. In that case, we will pay for the excess loss subject to the terms and conditions of this policy.
- (b) However, any payment we make for the excess loss will not be greater than the difference between the Limit of Insurance and Deductible Amount of that prior insurance and the Limit of Insurance shown in the Declarations. We will not apply the Deductible Amount shown in the Declarations to this excess loss.

(2) The Other Insurance Condition E.1.k. does not apply to this Condition.

n. Records

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

o. Recoveries

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.

(2) Recoveries do not include any recovery:

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

p. Territory

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

q. Transfer of Your Rights of Recovery Against Others to Us

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

r. Valuation - Settlement

(1) The value of any loss for purposes of coverage under this policy shall be determined as follows:

- (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:
 - (i) At face value in the "money" issued by that country; or
 - (ii) In the United States of America dollar equivalent determined by the rate of exchange published in *The Wall Street Journal* on the day the loss was "discovered".
- (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

- (i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - i. Market value of the "securities" at the close of business on the day the loss was "discovered"; or
 - ii. The Limit of Insurance applicable to the "securities".
 - (c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
 - (i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;
 - (ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or
 - (iii) The Limit of Insurance applicable to the lost or damaged property.
- With regard to Paragraphs **r.(1)(c)(i)** through **r.(1)(c)(iii)**, we will not pay on a replacement cost basis for any loss or damage:
- i. Until the lost or damaged property is actually repaired or replaced; and
 - ii. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.
- (2) We will, at your option, settle loss or damage to property other than "money":
 - (a) In the "money" of the country in which the loss or damage occurred; or
 - (b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage occurred determined by the rate of exchange published in *The Wall Street Journal* on the day the loss was "discovered".
 - (3) Any property that we pay for or replace becomes our property.

2. Conditions Applicable to Insuring Agreement A.1.

a. Termination as to Any Employee

This Insuring Agreement terminates as to any "employee":

- (1) As soon as:
 - (a) You; or
 - (b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";
- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If

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

b. Territory

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

3. Conditions Applicable to Insuring Agreement A.2.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.2.**

b. Electronic and Mechanical Signatures

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

c. Proof of Loss

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

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.2.**

4. Conditions Applicable to Insuring Agreements A.4. and A.5.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.5.**, we will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit of Insurance for Specified Property

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

(1) Precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or

(2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable to Insuring Agreement A.6.

a. Special Limit of Insurance for Specified Property

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

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.6.**

F. Definitions

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

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party

- under circumstances which, if true, would constitute a loss under this insurance.
5. "Employee":
- a. "Employee" means:
- (1) Any natural person:
 - (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
 - (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you;
 - (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee" as defined in Paragraph **a.(1)**, who is on leave; or
 - (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";
 - (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **a.(2)**;
 - (4) Any natural person who is:
 - (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; and
 - (b) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";

- (5) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;
 - (6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises";
 - (7) Any "employee" of an entity merged or consolidated with you prior to the effective date of this insurance; or
 - (8) Any of your "managers", directors or trustees while:
 - (a) Performing acts within the scope of the usual duties of an "employee"; or
 - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- b. "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **5.a**.
6. "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.
7. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
8. "Fraudulent instruction" means:
- a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - b. A written instruction (other than those described in Insuring Agree-

ment **A.2.)** issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or

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

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

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

- (3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, before such Policy Period or both.

- c. Under All Other Insuring Agreements:

- (1) An individual act or event;
- (2) The combined total of all separate acts or events whether or not related; or
- (3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, before such Policy Period or both.

- 15. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this insurance.
- 16. "Premises" means the interior of that portion of any building you occupy in conducting your business.
- 17. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
- 18. "Safe burglary" means the unlawful taking of:
 - a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".
- 19. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by

actual stamps or unused value in a meter) in current use; and

- b.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

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

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

- a.** By means of electronic, telegraphic, cable, teletype, telefacsimile or tele-

phone instructions communicated directly through an electronic funds transfer system; or

- b.** By means of written instructions (other than those described in Insuring Agreement **A.2.**) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL CRIME COVERAGE FORM AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM

- A.** It is agreed that **E. Conditions, 1. Conditions Applicable to all Insuring Agreements, j. Liberalization** is deleted in its entirety and replaced by the following:

j. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a.** The date we implemented the change in your state; or
- b.** The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

- B.** It is agreed that **D. Exclusions, 1. i. Pollution** is deleted in its entirety and replaced by the following:

i. Pollutants

Loss or damage caused by or resulting from pollutants. Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. Pollutants include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a.** You are regularly or otherwise engaged in activities which taint or degrade the environment; or
- b.** You use, generate or produce the pollutant.

THE CINCINNATI INSURANCE COMPANY

CINCINNATI, OHIO

BUSINESS AUTO COVERAGE PART DECLARATIONS**ITEM ONE**Attached to and forming part of POLICY NUMBER: **ETA 053 03 98**

Named Insured is the same as it appears in the Common Policy Declarations.

ITEM TWO**SCHEDULE OF COVERAGES AND COVERED AUTOS**

This coverage part provides only those coverages where a premium or "incl" is shown in the premium column below. The limit of Insurance for each coverage listed is subject to all applicable policy provisions. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form shows which autos are covered autos)	LIMIT THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
LIABILITY	8, 9	\$ 1,000,000	INCL
PERSONAL INJURY PROTECTION (or equivalent No-fault coverage)		Separately stated in each P.I.P. endorsement minus \$ Ded.	
ADDED PERSONAL INJURY PROTECTION (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement	
PROPERTY PROTECTION INSURANCE (Michigan only)		Separately stated in each P. P.I. endorsement minus \$ Ded	
AUTO. MEDICAL PAYMENTS		\$	
UNINSURED MOTORISTS		\$	
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)		\$	
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded. For each covered auto. But no Deductible applies to loss caused by Fire or lightning. See Item Three for hired or borrowed "autos"	INCL
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		Actual cash value or cost of repair, Whichever is less minus \$ Ded. For Each covered auto. For loss caused by mischief or vandalism. See Item Three for hired or borrowed "autos"	
PHYSICAL DAMAGE COLLISION COVERAGE	8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded for each covered auto. See Item Three for hired or borrowed "autos".	INCL
PHYSICAL DAMAGE INSURANCE TOWING AND LABOR		\$ for each disablement of a private passenger auto	
PREMIUM FOR ENDORSEMENTS			INCL
*ESTIMATED TOTAL PREMIUM			

FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA4183 02/06 AUTOMOBILE SCHEDULE**AA101 03/06 BUSINESS AUTO COVERAGE FORM****AA2008 05/15 EDUCATIONAL INSTITUTIONS AUTO ENHANCEMENT ENDORSEMENT****AA2009 01/17 CHANGES - TOWING AND LABOR**

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FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA296	07/12	CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE
AA4231	08/08	SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO--ITEMS FOUR, FIVE, AND SIX
AA4263	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
CA0146	07/01	TENNESSEE CHANGES

* This policy may be subject to final audit

QUICK REFERENCE

COMMERCIAL AUTO COVERAGE PART

BUSINESS AUTO COVERAGE FORM

READ YOUR POLICY CAREFULLY

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 Coverages and Limits of Insurance

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AUTOMOBILE SCHEDULE**ITEM THREE**

Attached to and forming a part of Policy Number ETA 053 03 98 , effective 07-01-2022

The insurance afforded for any automobile is only with respects to such and so many of the coverages as are indicated by specific premium charge or charges indicated.

POLICY LIMITSState: TN

Bodily Injury: 1,000,000 CSL

Property Damage: INCLUDED

Veh.

No. Vehicle Information

HIRED AND NON-OWNED						Class:	Territory
OTC-COMP DED: N/A						Coll Ded: N/A	
BI	PD	MP	OTC	COLL	UM	TOTAL	
1,178	INCL	N/A				1,178	
HIRED AUTO PHYSICAL DAMAGE						Class:	Territory
OTC-COMP DED: 1,000						Coll Ded: 1,000	
BI	PD	MP	OTC	COLL	UM	TOTAL	
			215	323		538	

SYMBOLS:

BI	-- Bodily Injury	SPEC	-- Specified Perils
PD	-- Property Damage	COLL	-- Collision
MP	-- Medical Payments	UM	-- Uninsured Motorists
OTC	-- Other Than Collision (ACV Coverage applies unless Stated Amount Value is indicated)	UIM	-- Underinsured Motorists
CAC	-- Combined Additional Coverage	PIP	-- Personal Injury Protection
FT&S	-- Fire, Theft, and Supplemental	T&L	-- Towing and Labor Costs
		RR	-- Rental Reimbursement

BUSINESS AUTO COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS.

SECTION I - COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description of Covered Auto Designation Symbols

- | SYMBOL | DESCRIPTION |
|--------|---|
| 1 = | ANY "AUTO". |
| 2 = | OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins. |
| 3 = | OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins. |
| 4 = | OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins. |
| 5 = | OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged. |
| 6 = | OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where |

they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

- 7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in ITEM THREE).
- 8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
- 9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

B. Owned Autos You Acquire After the Policy Begins

1. If Symbols 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
- a. We already cover all "autos" that you own for that coverage or it replaces

an "auto" you previously owned that had that coverage; and

- b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II - LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who is an Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a cov-

ered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) re-

quired because of an "accident" we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the "insured" or which is in fact expected or intended by the "insured", even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification and Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" sustained in the "workplace";
- b. An "employee" of the "insured" arising out of the performance of duties related to the conduct of the "insured's" business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. or b. above.

This Exclusion applies:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract" other than a contract or agreement with a labor leasing firm. For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. Care, Custody or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement of Property by Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

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

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor ve-

hicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

11. Pollutant

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or

- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** of this exclusion does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

However, this exception to Paragraph **a.** does not apply if the fuels, lubricants, fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed or released.

Paragraphs **b.** and **c.** of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (1) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
- (2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraph **d.(1)** does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor.

12. War

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

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This

insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

D. Mobile Equipment Subject to Motor Vehicle Insurance Laws

As respects **SECTION II - LIABILITY COVERAGE** any land vehicle, which would qualify as "mobile equipment", except that it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, is considered a covered "auto" under **SECTION II - LIABILITY COVERAGE**, irrespective of the Auto Designation Symbols shown for **SECTION II - LIABILITY COVERAGE** in the Declarations.

SECTION III - PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs

incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered

"auto" is returned to use or we pay for its "loss".

in hindering or defending against any of these.

b. Loss of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

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

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War or Military Action

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

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown; or
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

- 5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit of Insurance

- 1. The most we will pay for "loss" in any one "accident" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
- 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV - BUSINESS AUTO CONDITIONS

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

A. Loss Conditions

1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

2. Duties in the Event of Accident, Claim, Suit or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Cov-

erage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation or Fraud

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

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

4. No Benefit to Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:
 - (1) Excess while it is connected to a motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the Policy Period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:
 - (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
 - (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two or More Coverage Forms or Policies Issued by Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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

D. "Covered pollution cost or expense" means any cost or expense arising out of:

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

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place

where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

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

G. "Insured" means any person or organization qualifying as an insured in the Who is an Insured provision of the applicable coverage.

Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract":

1. Means:

- a.** A lease of premises;
- b.** A sidetrack agreement;
- c.** An easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- f.** That part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

2. Does not include that part of any contract or agreement:

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

- c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

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

- J.** "Loss" means direct and accidental loss or damage.

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

- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2.** Vehicles maintained for use solely on or next to premises you own or rent;
- 3.** Vehicles that travel on crawler treads;
- 4.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a.** Power cranes, shovels, loaders, diggers or drills; or
 - b.** Road construction or resurfacing equipment such as graders, scrapers or rollers.
- 5.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b.** Cherry pickers and similar devices used to raise or lower workers.
- 6.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a.** Equipment designed primarily for:

- a.** Equipment designed primarily for:

- (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and their by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- 1. The "insured" is regularly or otherwise engaged in activities which taint or degrade the environment; or

- 2. The "insured" uses, generates or produces the "pollutant".
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury" or "property damage"; or
 - 2. A "covered pollution cost or expense",
- to which this insurance applies, are alleged.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.
- Q. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of the "accident".

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

- 1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazard-

ous properties" of "nuclear facility" by any person or organization.

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

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

2. As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "byproduct material";

"Source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been

used or exposed to radiation in a "nuclear reactor";

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

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS AUTO ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

1. **SECTION II - LIABILITY COVERAGE, B. Exclusions** is amended to include the following:

14. Abuse or Molestation Exclusion

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

- A.** The actual or threatened abuse or molestation by anyone of any person while in the care, custody, or control of any insured, or
- B.** The negligent:
 - 1. Employment;
 - 2. Investigation;
 - 3. Supervision;
 - 4. Reporting to the proper authorities, or failure to so report; or
 - 5. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph **A.** above.

2. **SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who is an Insured** is amended to include the following:

- d.** **"Volunteers"** while using a covered "auto" you do not own, hire or borrow to transport your students or other persons in activities necessary to your school and authorized by your school.

Anyone else who furnishes a covered "auto" you do not own, hire or borrow to transport your students or other persons in activities necessary to your school is also an "insured".

No "volunteer" or other person volunteering services to you is an "insured" with respect to regular car-pooling to and from school.

3. **SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible** is amended to include the following:

If a covered "auto" designated in the Schedule incurs a "loss" caused by the perils of windstorm or hail the following applies:

Regardless of the number of covered "autos" damaged, the maximum deductible applicable for all "loss" in any one occurrence is \$2,500. For purposes of this endorsement, all events of windstorm or hail within one 48 hour period will constitute one occurrence.

4. **Additional Definitions**

As used in this endorsement:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - TOWING AND LABOR

This endorsement modifies insurance provided by the following:

BUSINESS AUTO COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

- 1. SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Towing** is deleted in its entirety and replaced with:

- 2. Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" is disabled. However, the labor must be performed at the place of disablement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

This endorsement modifies insurance provided by the following:

BUSINESS AUTO COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

1. SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 4. is deleted in its entirety and replaced with:

4. We will not pay for "loss" to any of the following:

- a.** Tapes, records, discs or similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b.** Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c.** Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d.** Any accessories used with the electronic equipment described in Paragraph **c.** above.

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a.** Permanently installed in or upon the covered "auto";
- b.** Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c.** An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
- d.** Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

2. SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limits of Insurance, 1. is deleted in its entirety and replaced with:

1. The most we will pay for:

- a.** "Loss" to any covered "auto" is the lesser of;

- (1)** The actual cash value of the damaged or stolen property as of the time of the "loss"; or
- (2)** The cost of repairing or replacing the damaged or stolen property with other property of like kind or quality.

- b.** All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss", is up to \$1,000, if, at the time of "loss", such electronic equipment is:

- (1)** Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- (2)** Removable from a permanently installed housing unit as described in Paragraph **b.1.** above; or
- (3)** An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

3. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE ADDED LIMITS

The sub-limit in Paragraph **1.b.** above is in addition to the Limit of Insurance shown in the Schedule of the Audio, Visual and Data Equipment Coverage endorsement, if purchased.

SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO - ITEMS FOUR, FIVE, AND SIXAttached to and forming a part of:
Form AA 505 (Business Auto Coverage Part)**ETA 053 03 98**
NUMBER**ITEM FOUR SCHEDULE OF HIRED OR****BORROWED COVERED AUTO COVERAGE AND PREMIUMS.****LIABILITY COVERAGE--RATING BASIS, COST OF HIRE**

STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	PREMIUM
			TOTAL PREMIUM

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

PHYSICAL DAMAGE COVERAGE

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE	RATE PER EACH \$100 ANNUAL COST OF HIRE	MINIMUM PREMIUM	PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 50,000 WHICHEVER IS LESS MINUS \$ 1,000 DED. FOR EACH COVERED AUTO, FOR ALL LOSS EXCEPT FIRE OR LIGHTNING				INCL
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ WHICHEVER IS LESS MINUS \$25 DED. FOR EACH COVERED AUTO, FOR LOSS CAUSED BY MISCHIEF OR VANDALISM				
COLLISION	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 50,000 WHICHEVER IS LESS MINUS \$ 1,000 DED. FOR EACH COVERED AUTO				INCL
			TOTAL PREMIUM		INCL

ITEM FIVE SCHEDULE FOR NONOWNERSHIP LIABILITY

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees		
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
			TOTAL PREMIUM

ITEM SIX SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS--LIABILITY COVERAGE--PUBLIC AUTO OR LEASING RENTAL CONCERNS

Estimated Yearly	RATES		PREMIUMS	
	<input type="checkbox"/> Per \$100 of Gross Receipts	<input type="checkbox"/> Per Mile		
<input type="checkbox"/> Gross Receipts				
<input type="checkbox"/> Mileage	LIABILITY	AUTO MEDICAL COVERAGE	LIABILITY PAYMENTS	AUTO MEDICAL COVERAGE PAYMENTS
	TOTAL PREMIUMS			
	MINIMUM PREMIUMS			

When used as a premium basis:

FOR PUBLIC AUTOS

Gross Receipts means the total amount to which you are entitled for transporting passengers, mail or merchandise during the policy period regardless of whether you or any other carrier originate the transportation. Gross Receipts does not include:

- A.** Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
- B.** Advertising Revenue.
- C.** Taxes which you collect as a separate item and remit directly to a governmental division.
- D.** C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing units operated during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount to which you are entitled for the leasing or rental of "autos" during the policy period and includes taxes except those taxes which you collect as a separate item and remit directly to a governmental division.

Mileage means the total of all live and dead mileage developed by all the autos you leased or rented to others during the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM**

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions of the **BUSINESS AUTO COVERAGE FORM** and **SECTION V - GARAGE CONDITIONS, B. General Conditions** of the **GARAGE COVERAGE FORM** are amended to include the following:

Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE CHANGES

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

A. Changes in Liability Coverage

For a covered "auto" licensed in, or "garage operations" conducted in Tennessee, the OTHER INSURANCE CONDITIONS is changed by adding the following:

1. When two policies providing liability insurance apply to an "auto" and;
 - a. One provides coverage to a named "insured" engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos";
 - b. The other provides coverage to a person not engaged in that business; and
 - c. At the time of an "accident" a person described in Paragraph **b.** is operating an "auto" owned by the business described in Paragraph **a.**, then that person's liability insurance is primary and the policy issued to a business described in Paragraph **a.** is excess over any insurance available to that person.
2. When two policies providing liability insurance apply to an "auto" and:
 - a. One provides coverage to a named "insured" engaged in the business of

repairing, servicing, parking or storing "autos";

- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" an "insured" under the policy described in Paragraph **a.** is operating an "auto" owned by a person described in Paragraph **b.**, then the liability insurance policy issued to the business described in Paragraph **a.** is primary and the policy issued to a person described in Paragraph **b.** is excess over any insurance available to the business.

B. Changes in Conditions

The following replaces the lead-in paragraph in the **Duties in the Event of Accident, Claim, Suit or Loss** Condition in the Business Auto, Garage, Truckers and Motor Carrier Coverage Forms and the **Duties in the Event of Loss** Condition in the Business Auto Physical Damage Coverage Form:

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

THE CINCINNATI INSURANCE COMPANY

COMMERCIAL UMBRELLA LIABILITY COVERAGE

PART DECLARATIONS

Previous Policy Number **ETD0530398**Attached to and forming part of POLICY NUMBER **ETD 053 03 98**Effective Date: **07-01-2022****NAMED INSURED** is the same as it appears in the Common Policy Declarations unless another entry is made here.**LIMITS OF INSURANCE**\$ **5,000,000** Each Occurrence Limit \$ **5,000,000** Aggregate Limit**ADVANCE PREMIUM \$ 5,359**

Applicable to Premium, if box is checked:

☒ Subject to Annual Adjustment☐ Subject to Audit (see Premium Computation Endorsement for Rating Basis)**SCHEDULE OF UNDERLYING INSURANCE**

Insurer, Policy Number & Period:	Underlying Insurance:	Underlying Limits:
(a) ACCIDENT FUND GENERAL IN WCV6092184 07-01-2022 TO 07-01-2023	Employer's Liability	Bodily Injury by Accident: \$ 1,000,000 Each Accident Bodily Injury by Disease: \$ 1,000,000 Each Employee Bodily Injury by Disease: \$ 1,000,000 Policy Limit
(b) CINCINNATI INS. CO. ETD 053 03 98 07-01-2022 TO 07-01-2025	<input checked="" type="checkbox"/> Commercial General Liability Including: <input checked="" type="checkbox"/> Products-Completed Operations Coverage <input type="checkbox"/> Cemetery Professional <input type="checkbox"/> Druggist Professional <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Pedorthists Professional or <input type="checkbox"/> Business Liability Including: <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Druggist Professional	Bodily Injury and Property Damage Liability: \$ 1,000,000 Each Occurrence Limit \$ 2,000,000 General Aggregate Limit \$ 2,000,000 Products-Completed Operations Aggregate Limit Personal and Advertising Injury Limit: \$ 1,000,000 Any One Person or Organization
(c) CINCINNATI INS. CO. ETA 053 03 98 07-01-2022 TO 07-01-2025	Automobile Liability Including: <input type="checkbox"/> Owned Autos <input checked="" type="checkbox"/> Non-Owned Autos <input checked="" type="checkbox"/> Hired Autos <input type="checkbox"/> Any Auto	Bodily Injury Liability Limit: \$ Each Person \$ Each Occurrence Property Damage Liability Limit: \$ Each Occurrence or Bodily Injury Liability and / or Property Damage Liability or Both Combined Limit: \$ 1,000,000 Each Occurrence

(d)	Professional	\$	
		\$	Aggregate

(e) CINCINNATI INS. CO.	Employee Benefit Liability	\$	1,000,000 Each Employee Limit
ETD 053 03 98		\$	3,000,000 Aggregate Limit
07-01-2022 TO 07-01-2025			

(f)	Liquor Liability	\$	Each Common Cause Limit
		\$	Aggregate Limit

Other

(g) CINCINNATI INS. CO.	SEXUAL MISCONDUCT OR	\$1,000,000	EACH CLAIM
ETD 053 03 98	SEXUAL MOLESTATION	\$2,000,000	ANNUAL
07-01-2022 TO 07-01-2025		AGGREGATE	

FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

US101UM	12/04	COMMERCIAL UMBRELLA - TABLE OF CONTENTS
UA302	09/17	EXCLUSION OF DESIGNATED PROFESSIONAL SERVICES
US3019	12/04	CORPORAL PUNISHMENT - LIMITATION
US302	12/04	POLLUTANT EXCLUSION - OTHER THAN AUTO
US306	12/04	AUTO LIABILITY LIMITATION
US3078	04/11	COMMUNICABLE DISEASE EXCLUSION
US3089	01/14	RESTRAINT AND REMOVAL OF STUDENT - LIMITATION
US3093	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
US3113	05/19	NEURODEGENERATIVE INJURY EXCLUSION
US352	12/04	PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION
US359	12/19	COLLEGES OR SCHOOLS LIMITATION
US371	09/02	SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIMITATION
US4062	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS - LIMITATION
US407	12/04	EMPLOYEE BENEFIT LIABILITY
US4098	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
US4099	01/14	EDUCATIONAL INSTITUTIONS PROFESSIONAL SERVICES LIABILITY ENDORSEMENT
US473	12/04	FOREIGN LIABILITY LIMITATION

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COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM

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

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

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED.**

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS.**

SECTION I - COVERAGE

A. Insuring Agreement

1. We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies:
 - a. Which is in excess of the "underlying insurance"; or
 - b. Which is either excluded or not insured by "underlying insurance".
2. This insurance applies to "bodily injury", "personal and advertising injury" or "property damage" only if:
 - a. The "bodily injury", "personal and advertising injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - b. The "bodily injury" or "property damage" occurs during the policy period shown in the Declarations; or
 - c. The "personal and advertising injury" results from an "occurrence" that takes place during the policy period shown in the Declarations; and
 - d. Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, or a "personal and advertising injury" offense is committed, you did not know, per Paragraph 5. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, or

that the "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part.

3. "Bodily injury" or "property damage" which:
 - a. Occurs during the "coverage term"; and
 - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have occurred;

includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
4. "Personal and advertising injury" caused by an offense which:
 - a. Was committed during the "coverage term"; and
 - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have been committed;

includes any continuation, change or resumption of that "personal and advertising injury" offense after the end of the "coverage term" in which it first became known by you.
5. You will be deemed to know that "bodily injury" or "property damage" has occurred, or that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":
 - a. Reports all, or any part, of the "bodily injury", "personal and advertising injury" or "property damage" to us or any other insurer;
 - b. Receives a written or verbal demand or claim for damages because of the "bodily injury", "personal and advertising injury" or "property damage";
 - c. First observes, or reasonably should have first observed, the "bodily injury" or "property damage", or the offense that caused the "personal and advertising injury";
 - d. Becomes aware, or reasonably should have become aware, by any means, other than as described in c. above, that "bodily injury" or "property

damage" had occurred or had begun to occur, or that the "personal and advertising injury" offense had been committed or had begun to be committed; or

- e. Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury", "personal and advertising injury" or "property damage" is substantially certain to occur.
6. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE.**

No other obligation or liability to pay sums or perform acts or services is covered, unless expressly provided for under **SECTION I - COVERAGE, C. Defense and Supplementary Payments.**

B. Exclusions

This insurance does not apply to:

1. Asbestos

Any liability arising out of, attributable to or any way related to asbestos in any form or transmitted in any manner.

2. Breach of Contract, Failure to Perform, Wrong Description and Violation of Another's Rights

"Personal and advertising injury":

- a. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- b. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- c. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement"; or
- d. Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

3. Contractual Liability

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

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "personal and advertising injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

4. Damage to Impaired Property or Property Not Physically Injured

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

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

5. Damage to Property

"Property damage" to property owned by any insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

6. Damage to Your Product

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

7. Damage to Your Work

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

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

8. Distribution of Material in Violation of Statutes

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

9. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

10. Electronic Data

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

11. Employer's Liability Limitation

Any liability arising from any injury to:

- a. An "employee" of the insured sustained in the "workplace";
- b. An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

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

This exclusion does not apply when such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

12. Employment-Related Practices

Any liability arising from any injury to:

- a. A person arising out of any:
 - (1) Refusal to employ that person;
 - (2) Termination of that person's employment; or
 - (3) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

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

13. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually intended or expected.

However, this exclusion does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force to prevent or eliminate danger in the operation of "autos" or watercraft.

14. Falsity, Prior Publication, Criminal Act and Media and Internet Type Businesses

"Personal and advertising injury":

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the later of the following:
 - (1) The inception of this Coverage Part; or
 - (2) The "coverage term" in which insurance coverage is sought;
- c. Arising out of a criminal act committed by or at the direction of the insured; or
- d. Committed by an insured whose business is:
 - (1) Advertising, broadcasting, publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An Internet search, access, content or service provider.

However, Paragraph **d.** does not apply to Paragraphs **17.a., b., c., d.** and **i.** of "personal and advertising injury" under **SECTION V - DEFINITIONS.**

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

15. Infringement of Copyright, Patent, Trademark or Trade Secret

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

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

16. Pollutant - Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
 - (1) That are, or that are contained in any property that is:

- (a) Being transported or towed by, handled, or handled for movement into, onto or from, an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
 - (b) Otherwise in the course of transit by or on behalf of the insured; or
 - (c) Being stored, disposed of, treated or processed in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; or
 - (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion to the place where they are finally delivered, disposed of or abandoned by the insured.

Paragraph **(1)** above does not apply to "bodily injury" or "property damage" arising from fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion or its parts, if:

- (a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

- (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** and **(3)** of the definition of "mobile equipment".

However, this exception to Paragraph **(1)** does not apply if the fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed, emitted or released.

Paragraphs **(2)** and **(3)** above do not apply to an "occurrence" that occurs away from premises owned by or rented to an insured with respect to "pollutants" not in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; and
 - (b) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- b. Any liability caused by "pollutants" and arising from the operation, maintenance, use, "loading or unloading" of an "auto", for which insurance coverage is excluded by "underlying insurance".

17. Pollutant - Other Than Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
 - (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

However, Paragraph **a.(1)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the

"underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use by the building's occupants or their guests;
 - (b) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to your "underlying insurance" as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;
 - (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the "pollutants" are brought on or to the

premises, site or location in connection with such operations by such insured, contractor or subcontractor.

However, Paragraph **a.(4)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (b)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (c)** "Bodily injury" or "property damage" arising out of heat,

smoke or fumes from a "hostile fire"; or

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

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

- c.** Any loss, cost or expense arising out of any:

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

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

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

- d.** Any liability caused by "pollutants", for which insurance coverage is excluded by "underlying insurance".

18. Recall of Products, Work or Impaired Property

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

- a.** "Your product";

- b. "Your work"; or
- c. "Impaired Property";

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

19. Unauthorized Use of Another's Name or Product

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

20. Uninsured / Underinsured Motorist

Any liability or obligation to any insured or anyone else under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury law.

21. War

Any liability, however caused, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

22. Workers' Compensation

Any liability or obligation of the insured under any workers' compensation, unemployment compensation, disability benefits or similar law. However, this exclusion does not apply to liability of others assumed by you under an "insured contract" in existence at the time of "occurrence".

C. Defense and Supplementary Payments

1. We will have the right and duty to defend the insured against any "suit" seeking damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies. We will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "personal and advertising

injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result when:

- a. The applicable limits of the "underlying insurance" and any other insurance have been exhausted by payment of claims; or
 - b. Damages are sought for "bodily injury", "personal and advertising injury" or "property damage" which are not covered by "underlying insurance" or other insurance.
2. Our right and duty to defend ends when the applicable Limits of Insurance, as stated in the Declarations, has been exhausted by payment of claims.
 3. We have no duty to investigate, settle or defend any claim or "suit" other than those circumstances described in Paragraph C.1. However, we do have the right to participate in the investigation, settlement or defense of any claim or "suit" to which this insurance applies. If we exercise this right, we will do so at our expense.
 4. If there is no underlying insurer or other insurance obligated to do so, we will pay the following when we provide a defense:
 - a. All expenses we incur.
 - b. The cost of bail bonds up to \$3,000. We do not have to furnish these bonds.
 - c. The cost of bonds to appeal a judgment or award in any claim or "suit" we defend and the cost of bonds to release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.
 - d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including the actual loss of earnings.
 - e. All costs taxed against the insured in the "suit".
 5. If there is no underlying insurer obligated to do so, we will pay the following for an "occurrence" to which this insurance applies, even if we have no duty to provide a defense:
 - a. Prejudgment interest awarded against the insured on that part of the

judgment we become obligated to pay and which falls within the applicable Limit of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any pre-judgment interest based on the period of time after the offer.

- b. All interest awarded against the insured on the full amount of any judgment that accrues:
 - (1) After entry of the judgment; and
 - (2) Before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
- 6. The payments described in Paragraphs 4. and 5. above will not reduce the Limits of Insurance provided by this Coverage Part when defense or supplementary payments provided by the "underlying insurance" do not reduce their Limits of Insurance. However, when defense or supplementary payments provided by the "underlying insurance" reduce their Limits of Insurance then such expense payments paid by us will reduce the Limits of Insurance provided by this Coverage Part.
- 7. If we are prevented by law or otherwise from carrying out any of the provisions of **SECTION I - COVERAGE, C. Defense and Supplementary Payments**, we will pay any expense incurred with our written consent.

SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto":
 - a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

- (4) An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Each of the following is also a Named Insured:
 - (a) Any "subsidiary" company of such organization, including any "subsidiary" of such "subsidiary":
 - 1) Existing at the inception of this Coverage Part; or
 - 2) Formed or acquired on or after the inception of this Coverage Part.
 - (b) Any other company controlled and actively managed by such organization or any "subsidiary" thereof:
 - 1) At the inception of this Coverage Part; or
 - 2) If the control and active management thereof is acquired on or after the inception of this Coverage Part.
- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

- (1) Any "employee" of yours while acting within the scope of their duties as such.
 - (2) Any person or organization while acting as your real estate manager.
 - (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
 - (4) Your legal representative if you die, but only with respect to duties as such.
- 2. Only with respect to liability arising out of the ownership, maintenance, occupancy or use of an "auto":
 - (1) Any "employee" of yours while acting within the scope of their duties as such.
 - (2) Any person or organization while acting as your real estate manager.
 - (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
 - (4) Your legal representative if you die, but only with respect to duties as such.

- a. You are an insured.
- b. Anyone else while using with your permission an "auto" you own, hire or borrow is also an insured except:
 - (1) The owner or any other person or organization (except your "executive officers" or principals) from whom you hire or borrow an "auto", unless such persons or organizations are insureds in your "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance". This exception does not apply if the "auto" is a trailer or semi-trailer connected to an "auto" you own.
 - (2) Your "employee", if the "auto" is owned by that "employee" or a member of his or her household, unless:
 - (a) Such "employee" is an insured with respect to that "auto" in the "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance"; or
 - (b) The "bodily injury" or "property damage" is sustained by a co-"employee" of such "employee".
 - (3) Someone using an "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos", unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
- c. Anyone liable for the conduct of an insured described in Paragraphs **2.a.** and **b.** above is also an insured, but only if they are provided insurance coverage for such liability by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is provided by such "underlying insurance".
- 3. At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs **1.** and **2.** above covered in the "underlying insurance" listed in the Schedule of Underlying Insurance are also insureds, but only to the extent that insurance is

provided for such additional insureds thereunder.

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

SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The Aggregate Limit is the most we will pay for all damages:
 - a. Included in the "products-completed operations hazard";
 - b. Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you; or
 - c. Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.** or **b.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.** and **c.** The Aggregate Limit described in **c.** will apply only to damages not subject to **a.** or **b.** above.
- 3. Subject to the Limit of Insurance described in **2.c.** above:
 - a. Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2.a.** or **b.** above that is applicable separately to each:
 - (1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to operations at only a single location, then the Aggregate Limit described in **2.c.** above applies separately to each location owned by, or rented or leased to you.

- (2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed only to ongoing operations and only at a single construction project, then the Aggregate Limit described in **2.c.** above applies separately to each of your construction projects.
- b. Only with respect to the application of Limits of Insurance described in **3.a.** above, the following terms location and construction project will have the following meanings:
- (1) Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- (2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.
4. Subject to the limits described in **2.** and **3.** above, the Each Occurrence Limit is the most we will pay for the "ultimate net loss":
- a. In excess of the applicable limits of "underlying insurance"; or
- b. If an "occurrence" is not covered by "underlying insurance", but covered by the terms and conditions of this Coverage Part,

Because of all "bodily injury", "personal and advertising injury" and "property damage" arising out of any one "occurrence".

We will not pay more than the Limit of Insurance shown in this Coverage Part's Declarations for each "occurrence" because any Personal Umbrella Liability Policy(ies) is / are attached to this policy.

5. Subject to the limits described in **2.**, **3.** and **4.** above and to the terms and conditions of the "underlying insurance":
- a. If the limits of "underlying insurance" have been reduced by payment of claims, this

Coverage Part will continue in force as excess of the reduced "underlying insurance"; or

- b. If the limits of "underlying insurance" have been exhausted by payment of claims, this Coverage Part will continue in force as "underlying insurance".

6. The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

SECTION IV - CONDITIONS

1. Appeals

If the insured or any insurer who provides the applicable "underlying insurance" elects not to appeal a judgment which exceeds the "underlying limit", we may elect to do so at our own expense. We shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall this provision increase our liability beyond:

- a. Our applicable Limits of Insurance for all "ultimate net loss";
- b. Our applicable Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments**; and
- c. The expense of such appeal.

2. Audit

If this Coverage Part is subject to Audit, as indicated in the Declarations, then the following Condition applies:

- a. The premium shown in the Premium Computation Endorsement as Advance Premium is a deposit premium. At the close of each audit period, we will compute the earned premium for that period. If:
- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us. The due date for audit and retrospective premiums is the date shown as the due date on the bill.

However, in no event will the earned premium be less than the Minimum Premium stated in the Premium Computation Endorsement.

- b. The first Named Insured must keep records of the information we need for pre-

mium computation, and send us copies at such times as we may request.

3. Bankruptcy

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

4. Duties in the Event of Occurrence, Claim or Suit

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

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

This requirement applies only when the "occurrence" is known to an "authorized representative".

- b. If a claim is made or "suit" is brought against any insured that is likely to involve this Coverage Part, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

This requirement will not be considered breached unless the breach occurs after such claim or "suit" is known to an "authorized representative".

- c. You and any other involved insured must:

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

- d. No insured will, except at that insured's own cost, voluntarily make a payment,

assume any obligation, or incur any expense, other than for first aid, without our consent.

5. First Named Insured

The person or organization first named in the Declarations will act on behalf of all other insureds where indicated in this Coverage Part.

6. Legal Action Against Us and Loss Payments

- a. No legal action may be brought against us unless there has been full compliance with all the terms of this Coverage Part nor until the amount of the insured's obligation to pay has been finally determined as provided below. No person or organization has any right under this Coverage Part to bring us into any action to determine the liability of the insured.

- b. We shall be liable for payment of the "ultimate net loss" for any "occurrence" to which this Coverage Part applies:

- (1) For "occurrences" not covered by "underlying insurance"; or
- (2) In excess of the "underlying limit" applicable to the "occurrence" only after the insurers who provide the applicable "underlying insurance" have paid or become obligated to pay the amount of the "underlying limit" applicable to the "occurrence".

Our payment will be made following final determination of the amount of the insured's obligation to pay either by final judgment against the insured or by written agreement with the insured, the claimant, the underlying insurers and us.

7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

Will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

8. Maintenance of Underlying Insurance

- a. While this Coverage Part is in effect, the insured shall maintain in force the "underlying insurance" listed in the Schedule of Underlying Insurance as collectible insurance. The terms, conditions and endorsements of "underlying insurance" will not materially change and renewals or replacements of "underlying insurance" will not be more restrictive in coverage.
- b. Limits of "underlying insurance" will not be reduced, except for any reduction or exhaustion in the aggregate limits of insurance due to payment of claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
- c. In the event you fail or neglect to maintain "underlying insurance" as required, this Coverage Part will apply as though such "underlying insurance" was in force and collectible at the time a claim is presented to us which is in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
- d. The limits of "underlying insurance" shall be deemed applicable, regardless of any defense which the insurer who provides the "underlying insurance" may assert because of the insured's failure to comply with any Condition of the policy or the inability of the insurer to pay by reason of bankruptcy or insolvency.

9. Other Insurance

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

10. Premium

The premium for this Coverage Part shall be as stated in the Declarations. The advance and anniversary premiums are not subject to adjustment, except as stated in the Declarations, or as stated in an endorsement issued by us to form a part of this Coverage Part.

You shall maintain records of such information as is necessary for premium computation, and shall, if requested by us, send copies of such records to us at the end of the "coverage term" and at such times during the policy period as we may direct.

11. Representations

- a. By acceptance of this Coverage Part, you agree that the statements in the Declarations are your agreements and representations, that this Coverage Part is issued in reliance upon the truth of such representations and that this Coverage Part embodies all agreements existing between you and us or any of our agents relating to this insurance.
- b. However, to the extent that the following applies in the "underlying insurance" listed specifically in the Schedule of Underlying Insurance, it will also apply to this Coverage Part:

Based on our reliance upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this Coverage Part, we will not reject coverage under this Coverage Part based solely on such failure.

12. Separation of Insureds

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

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

13. Transfer of Rights of Recovery Against Others to Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. Any recoveries shall be applied as follows:
 - (1) First, we will reimburse anyone, including the insured, the amounts actually paid by them that were in excess of our payments;
 - (2) Next, we will be reimbursed to the extent of our actual payment; and
 - (3) Lastly, any amounts left after meeting the obligations outlined in (1) and (2) above will be distributed to anyone else known to us at the time a recovery is made and who is legally entitled to such recovery.

Expenses incurred in the recovery shall be apportioned among all interests in the ratio of their respective recoveries as finally settled. If there is no recovery as a result of our attempts, we shall bear all of the recovery expenses.

- c. If prior to an "occurrence" to which this Coverage Part would apply, you and the issuer of your applicable "underlying insurance" listed specifically in the Schedule of Underlying Insurance waive any right of recovery against a person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

14. When We Do Not Renew

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

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

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Authorized representative" means:
 - a. If you are:
 - (1) An individual, you and your spouse are "authorized representatives".
 - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
 - (3) A limited liability company, your members and your managers are "authorized representatives".
 - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers"

and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".

- (5) A trust, your trustees are "authorized representatives".
 - b. Your "employees" assigned to manage your insurance program, or assigned to give or receive notice of an "occurrence", claim or "suit" are also "authorized representatives".
3. "Auto" means:
 - a. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

"Auto" does not include "mobile equipment".

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
 - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
 - (1) The day the policy period shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
 - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means anywhere.

7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
10. "Hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement,
 if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business, other

than a contract or agreement pertaining to the rental or lease of any "auto", (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or

- g. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. However, if such liability is insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, this Paragraph (1) shall not apply for such hazards for which insurance coverage is afforded by such "underlying insurance";
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services,

including those listed in Paragraph **(2)** above and supervisory, inspection, architectural or engineering activities;

- (4)** That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
- (5)** Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph **(4)**, above;
- (6)** That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet Services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks;
- (7)** Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph **(6)**, above;
- (8)** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- (9)** That holds a person or organization engaged in the business of transporting property by "auto" for hire harm-

less for your use of an "auto" over a route or territory that person or organization is authorized to serve by public authority.

- 13.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
- 14.** "Loading or unloading" means the handling of property:
 - a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b.** While it is in or on an aircraft, watercraft or "auto"; or
 - c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- 15.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b.** Vehicles maintained for use solely on or next to premises you own or rent;
 - c.** Vehicles that travel on crawler treads;
 - d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e.** Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or

- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
- (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

16. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general harmful conditions, act or offense shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

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

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- g. The use of another's advertising idea in your "advertisement";
- h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- i. Discrimination, unless insurance coverage therefor is prohibited by law or statute.

18. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include, but are not limited to, substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
- b. The insured uses, generates or produces the "pollutant".

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or

- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
- (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the site has been completed, if your contract calls for work at more than one site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:
- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
20. "Property damage" means:
- a. Physical injury to or destruction of tangible property including all resulting loss of use. All such loss of use shall be deemed to occur at the time of the physical injury or destruction that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
21. "Subsidiary" means any organization in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination, by one or more of the Named Insureds.
22. "Suit" means a civil proceeding in which money damages because of "bodily injury", "personal and advertising injury" or "property dam-

age" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such money damages are claimed and to which the insured must submit or does submit with our consent;
 - b. Any other alternative dispute resolution proceeding in which such money damages are claimed and to which the insured submits with our consent; or
 - c. An appeal of a civil proceeding.
23. "Temporary worker" means a person who is furnished to you to:
- a. Substitute for a permanent "employee" on leave; or
 - b. Meet seasonal or short-term workload conditions.
24. "Ultimate net loss" means the sum actually paid or payable in the settlement or satisfaction of the insured's legal obligation for damages, covered by this insurance, either by adjudication or compromise. "Ultimate net loss" does not include Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments** of this Coverage Part.
25. "Underlying insurance" means the insurance listed in the Schedule of Underlying Insurance and the insurance available to the insured under all other insurance policies applicable to the "occurrence". "Underlying insurance" also includes any type of self-insurance or alternative method by which the insured arranges for funding of legal liabilities that affords coverage that this Coverage Part covers.
26. "Underlying limit" means the total of the applicable limits of all "underlying insurance" less the amount, if any, by which the applicable limit of the applicable policy listed in the Schedule of Underlying Insurance has been reduced solely by payment of loss resulting from claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
27. "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".
28. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
 - (2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.
- 29. "Your work":
 - a. Means:
 - (1) Work or operations performed by you or on your behalf; and
 - (2) Materials, parts or equipment furnished in connection with such work or operations.
 - b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

A. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

1. Any liability:
 - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any liability resulting from the "hazardous properties" of "nuclear material", if
 - a. The "nuclear material" (1) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom,
 - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - c. The injury or damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territo-

ries or possessions or Canada, this Exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

B. SECTION V - DEFINITIONS is hereby modified to add the following definitions:

1. "Hazardous properties" include radioactive, toxic or explosive properties;
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material";
3. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
5. "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
6. "Nuclear facility" means:
 - a. Any "nuclear reactor";
 - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", (3) or handling, processing or packaging "waste";
 - c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear materials", if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combina-

tion thereof, or more than 250 grams of uranium 235;

- d.** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

- 8.** "Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability due to the rendering of or failure to render any professional service shown in the Schedule.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal and advertising injury", involved the rendering of or the failure to render the professional service(s) listed in the Schedule to others.

SCHEDULE

- 1. EDUCATORS LEGAL LIABILITY**
- 2.**
- 3.**

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability due to the rendering of or failure to render any professional service shown in the Schedule.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal and advertising injury", involved the rendering of or the failure to render the professional service(s) listed in the Schedule to others.

SCHEDULE

1. **SCHOOL ADMINISTRATORS LEGAL LIABILITY**
- 2.
- 3.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CORPORAL PUNISHMENT - LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

Exclusion **13. Expected or Intended Injury** (Exclusion **1.m.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is amended to include the following:

It is agreed and understood that this exclusion shall not apply to "bodily injury" sustained by any student or pupil of yours which arises out of corporal punishment administered by or at the direction of any insured, provided such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**POLLUTANT EXCLUSION - OTHER THAN AUTO**

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

Exclusion **17. Pollutant - Other Than Auto** (Exclusion **1.q.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is hereby deleted and replaced by the following:

Pollutant - Other Than Auto

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
 - (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.
 - (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
 - (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

Subparagraphs **a.(1)** and **a.(4)** do not apply:

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

- (b) If insurance is provided to the insured by "underlying insurance" specifically listed in the Schedule of Underlying Insurance at the "underlying limit" scheduled, but only to the extent "bodily injury" or "property damage" coverage is provided by that "underlying insurance" specifically listed in the Schedule of Underlying Insurance and subject to all its terms and conditions.

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

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

- c. Any loss, cost or expense arising out of any:

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

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

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

- d. Any liability caused by "pollutants" excluded by "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO LIABILITY LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any "auto", unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability, claim, or suit, arising out of the actual or alleged transmission of a communicable disease.

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

- a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b.** Testing for a communicable disease;
- c.** Failure to prevent the spread of the disease; or
- d.** Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RESTRAINT AND REMOVAL OF STUDENT - LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

Exclusion **13.** Expected or Intended Injury (Exclusion **1.m.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is amended to include the following:

It is agreed and understood that this exclusion shall not apply to:

- a.** "Bodily injury" resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your function, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts and if such reasonable force is administered in compliance with your rules and regulations; or
- b.** "Bodily injury" sustained by any student or pupil of yours which arises out of corporal punishment administered by or at the direction of any insured pursuant to the named insured's accepted or approved guidelines and not in violation of any state or federal law or regulation,

provided such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY
- WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to delete Exclusion **10. Electronic Data** in its entirety and replace it with the following:

This insurance does not apply to:

10. Access or Disclosure of Confidential or Personal Information and Data-Related Liability

Any liability arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

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

However, this exclusion does not apply:

- (1)** To damages because of "bodily injury", unless Paragraph **a.** above applies; and
- (2)** When such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEURODEGENERATIVE INJURY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

- A. SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Neurodegenerative Injury

Damages for "bodily injury" or "personal and advertising injury" arising from a "neurodegenerative injury" to a "participant" resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" or offense which caused the "bodily injury" or "personal and advertising injury" involved participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

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

1. "Neurodegenerative injury" means any actual or alleged, head injury, brain injury, neurological injury, neurocognitive injury or brain neurological or neurocognitive disorder, disease, condition or dysfunction, including, but not limited to, Alzheimer's disease, Parkinson's disease, amyotrophic lateral sclerosis, mild traumatic brain injury, brain injury, repetitive brain trauma, cumulative brain trauma, chronic traumatic encephalopathy, dementia, cognitive injury or disorder, memory loss, loss of concentration, anxiety disorder, mood disorder, depression, sleeplessness, impulse control problems, headaches, speech and language impairment, post-concussion syndrome, second-impact syndrome, or single or repetitive concussive or sub-concussive injury or trauma or any injury or condition identified within the medical field as a neurodegenerative consequence of brain or head injury.
2. "Participant" means any person engaged in any athletic activities. "Participant" does not include spectators, referees, umpires or coaching staff.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PERSONAL PROPERTY
CARE, CUSTODY OR CONTROL EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

"Property damage" to personal property not owned by an insured and in the care, custody or control of an insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**COLLEGES OR SCHOOLS LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

If insurance is provided to the insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, the following exclusions do not apply, but only to the extent insurance is provided at the "underlying limit" scheduled for such "underlying insurance" and subject to all its limitations and exclusions:

This insurance does not apply to:

1. "Bodily injury" resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your function, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts and if such reasonable force is administered in compliance with your rules and regulations;
2. "Bodily injury" or "personal and advertising injury" to any pupil arising out of corporal punishment administered by or at the direction of any insured pursuant to the named insured's accepted or approved guidelines and not in violation of any state or federal law or regulation;
3. Disability, shock, fright, mental anguish, or mental injury including care, loss of services or death resulting from any of these;
4. False arrest, detention or imprisonment, wrongful eviction, wrongful entry, abuse of process or malicious prosecution;
5. Discrimination, harassment of any kind committed by any person or humiliation;
6. Libel, slander or defamation of character, invasion of the right of private occupancy or invasion of rights of privacy; or
7. "Bodily injury" to any person arising out of practicing for or participating in any sports or athletic contest or exhibition if there is no direct management, organization or supervision

of such sports or athletic contest or exhibition by any insured.

8. With respect to the transportation of students:

"Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading or unloading" or entrustment to others of any aircraft, "auto", or watercraft that is owned, operated or hired by an insured.

For the purpose of this exclusion, the word hired includes any contract to furnish transportation of your students to and from schools.
9. Any liability caused by:
 - a. The rendering of or failure to render:
 - (1) Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;
 - (2) Any health or therapeutic service, treatment, advice or instruction; or
 - (3) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.
 - b. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
 - c. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

Exclusions 1. through 9. above apply even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury" or other injury, involved that which is described in Exclusions 1. through 9. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

I. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

Any liability arising out of actual or alleged sexual misconduct or sexual molestation unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".

II. SECTION III - LIMITS OF INSURANCE is modified as follows:

Paragraphs **2.** and **3.** are deleted and replaced by the following:

2. The Aggregate Limit is the most we will pay for all damages:

- a.** Included in the "products-completed operations hazard";
- b.** Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you;
- c.** Arising from sexual misconduct or sexual molestation liability to which this Coverage Part applies; or
- d.** Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.**, **b.** or **c.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.**, **c.** and **d.** The Aggregate Limit described in **d.** will apply only to damages not subject to **a.**, **b.** or **c.** above.

3. Subject to the Limit of Insurance described in **2. d.** above:

- a.** Only in the event that "underlying insurance" specifically listed in the Schedule Of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2. a.**, **b.** or **c.** above that is applicable separately to each:

(1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a single location, then the Aggregate Limit described in **2. d.** above applies separately to each location owned by, or rented or leased to you.

(2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a single project, then the Aggregate Limit described in **2. d.** above applies separately to each of your construction projects.

- b.** Only with respect to the application of Limits of Insurance described **3. a.** above, the following terms location and construction project will have the following meanings:

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

(2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE
INSURANCE LAWS - LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law, unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance", unless otherwise excluded by this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFIT LIABILITY

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

This policy is modified to add the following:

I. SECTION I - COVERAGE, A. Insuring Agreement(s) is modified to add the following:

EMPLOYEE BENEFIT LIABILITY:

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages because of any negligent act, error or omission of the insured or any other person for whose acts the insured is legally liable arising out of the administration of the insured's employee benefit programs.

This insurance applies only to negligent acts, errors or omissions:

- a.** Whose damages are in excess of the "underlying insurance" provided by an Employee Benefit Liability policy listed in the Schedule of Underlying Insurance; and
- b.** Which occur during the policy period.

II. SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following exclusion:

This insurance does not apply to:

Any liability arising out of employee benefit programs unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION - IV CONDITIONS is amended to include the following:

Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS PROFESSIONAL SERVICES LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

SCHEDULE

Professional
Services: _____

This policy is modified to add the following:

I. SECTION I - COVERAGE, A. Insuring Agreement is modified to add the following:

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages in excess of the "underlying insurance" because of "professional liability" to which this Coverage Part applies and which occurs during the policy period and is caused by an "occurrence".

The terms, definitions, conditions, limitations and exclusions of the "underlying insurance" covering "professional liability" as specified in the Schedule of Underlying Insurance are made a part of this Coverage Part except for any term, definition or condition relating to any duty to investigate or defend, the limits of insurance, payment of expenses, premium, cancellation, other insurance or our right to recover payments, in which case the provisions of this Coverage Part apply, including any renewal agreement or any exclusion or limitation in this Coverage Part applicable to "professional liability".

II. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

- a.** Any liability or damages arising from "professional liability", including but not limited to "bodily injury", "personal and advertising injury" or "property damage".

However, this exclusion will not apply if coverage for "professional liability" is provided by valid and collectible "underlying insurance", but only for such hazards for which coverage is afforded by such "underlying insurance".

- b.** Any liability, damages or expenses resulting from a claim or "suit" seeking only in-

junctive relief, declaratory judgment, declaratory decree or other non-monetary relief. This exclusion applies even if such coverage is provided by underlying insurance.

III. SECTION II - WHO IS AN INSURED is modified as follows:

- A.** The lead in statement for Paragraph **1.** is deleted and replaced by the following:

- 1.** Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto", or "professional liability":

- B.** The following Paragraph is added:

- 3.** Only with respect to liability arising from "professional liability":

Only those natural persons or other entities:

- a.** For whom insurance coverage is provided by the "underlying insurance" specifically listed in the Schedule of Underlying Insurance applicable to "professional liability" are insureds; and

- b.** Only to the extent they enjoy insured status thereunder,

unless otherwise limited by the terms and conditions of this Coverage Part.

- C.** The previous Paragraph **3.** is deleted and replaced by the following:

- 4.** At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs **1.** and **2.** above covered in the "underlying insurance" listed in

the Schedule of Underlying Insurance", other than that applicable to "professional liability", are also insureds, but only to the extent that insurance is provided for such additional insureds thereunder.

IV. SECTION III - LIMITS OF INSURANCE is modified as follows:

A. Paragraphs **2.** and **3.** are deleted in their entirety and replaced by the following:

2. The Aggregate Limit is the most we will pay for all damages:

- a.** Included in the "products-completed operations hazard", or arising out of "professional liability" which is not subject to a separate Aggregate Limit of Insurance in the "underlying insurance";
- b.** Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you;
- c.** Because of "professional liability" which is subject to a separate Aggregate Limit of Insurance in the "underlying insurance"; or
- d.** Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.**, **b.** or **c.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.**, **c.** and **d.** The Aggregate Limit described in **d.** will apply only to damages not subject to **a.**, **b.** or **c.** above.

3. Subject to the Limit of Insurance described in **2.d.** above:

- a.** Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2.a.**, **b.** or **c.** above that is applicable separately to each:

- (1)** Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a

single location, then the Aggregate Limit described in **2.d.** above applies separately to each location owned by, or rented or leased to you.

- (2)** Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a single project, then the Aggregate Limit described in **2.d.** above applies separately to each of your construction projects.

- b.** Only with respect to the application of Limits of Insurance described in **3.a.** above, the following terms location and construction project will have the following meanings:

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

- (2)** Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

B. Paragraph **4.** is deleted in its entirety and replaced by the following:

- 4.** Subject to the limits described in **2.** and **3.** above the Each Occurrence Limit is the most we will pay for the "ultimate net loss":

- a.** In excess of the applicable limits of "underlying insurance"; or
- b.** If an "occurrence" is not covered by "underlying insurance", but

covered by the terms and conditions of this Coverage Part,

because of all "bodily injury", "personal and advertising injury", "property damage" and "professional liability" arising out of any one "occurrence".

C. The following is added:

The most we will pay for all damages arising out of "professional liability", whether arising out of any one "occurrence", or in the aggregate in any one "coverage term" is the lesser of:

1. The Limits of Insurance stated in the Declarations; or
2. \$10,000,000.

However, this provision does not apply to "professional liability" arising out of professional services:

- a. Performed by a veterinarian, optometrist, optician, dentist, nurse, beautician, barber, pedorthist, druggist, animal groomer, funeral director, minister, social service provider; or
- b. Provided in the operation of a cemetery.

V. SECTION V - DEFINITIONS is modified as follows:

A. The following definitions are added:

1. "Covered professional services" means:
 - a. Educational counseling services; or
 - b. Professional nursing, emergency medical technician, paramedics, psychological or psychometric counseling, athletic training, or speech, hearing, occupational or physical therapy service, treatment or advice,

provided or failed to be provided by your "employee" or your "volunteer worker" to your "employees" or students.

2. "Professional liability" means injury arising from the rendering or failure to render:

- a. "Covered professional services"; or
- b. The professional services described in the Schedule of this endorsement.

B. Definition **16.** "Occurrence" is deleted in its entirety and replaced by the following:

16. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury"; or
- c. A negligent act, wrongful act, error, omission, malpractice or mistake that results in "professional liability".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general conditions, negligent act, offense, wrongful act, error, omission, malpractice or mistake shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOREIGN LIABILITY LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability arising from an "occurrence" taking place outside of the United States of America, its territories or possessions, Puerto Rico or Canada, unless such liability is covered by valid and collectible "underlying insurance" as described in the Schedule of Underlying Insurance, and then only for such liability for which coverage is afforded by such "underlying insurance".

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

**CINCINNATI DATA DEFENDER™ COVERAGE PART
DECLARATIONS**

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

Attached to and forming part of POLICY NUMBER: **ETD 053 03 98** Effective Date **07-01-2022**

Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.

Retroactive Date: 07-01-2019

Limits of Insurance and Deductible

Insuring Agreement	Annual Aggregate	Sublimit	Deductible
A Response Expenses	\$50,000	Forensic IT Review \$25,000 Legal Review \$25,000 PR Services \$25,000	\$1,000
B Defense and Liability	\$50,000	Regulatory Fines and Penalties \$25,000 PCI Fines and Penalties \$25,000	\$1,000
C Identity Recovery	\$25,000	Lost Wages and Child and Elder Care \$5,000 Mental Health Counseling \$1,000 Miscellaneous Unnamed Costs \$1,000	\$250

TOTAL ANNUAL PREMIUM**\$342**

Optional Supplemental Extended Reporting Period - Term:	Optional Supplemental Extended Reporting Period - Premium:
1 YEAR	257
2 YEAR	513
3 YEAR	684
4 YEAR	855
5 YEAR	941
6 YEAR	1,026

FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

HC102 01/20 CINCINNATI DATA DEFENDER™ COVERAGE FORM

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CINCINNATI DATA DEFENDER™ COVERAGE FORM

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

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

Throughout this Coverage Part the words "you" and "your" refer to the "named insured" shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

SECTION I - COVERAGES

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which an Aggregate Limit of Insurance is shown in the Declarations:

1. Insuring Agreement A - Response Expenses

- a.** Coverage under Insuring Agreement **A - Response Expenses** applies only if all of the following conditions are met:

- (1)** There has been a "personal data compromise"; and
- (2)** Such "personal data compromise" is first discovered by you during the "coverage term"; and
- (3)** Such "personal data compromise" took place in the "coverage territory"; and
- (4)** Such "personal data compromise" is reported to us within 60 days after the date it is first discovered by you.

- b.** If the conditions listed in **a.** above have been met, then we will provide coverage for the following expenses when they arise directly from the "personal data compromise" described in **a.** above and are necessary and reasonable. Coverages **(4)** and **(5)** apply only if there has been a notification of the "personal data

compromise" to "affected individuals" as covered under coverage **(3)**.

(1) Forensic IT Review

Professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a)** Vulnerabilities in systems, procedures or physical security;
- (b)** Compliance with PCI or other industry security standards; or
- (c)** The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(2) Legal Review

Professional legal counsel review of the "personal data compromise" and how you should best respond to it. If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under

Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals":

(a) The following services apply to any "personal data compromise".

1) Informational Materials

A packet of loss prevention and customer support information.

2) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in **(b)1)** and **2)** below.

Note, calls by "affected individuals" or their representatives to the Help Line do not constitute the making of a "claim" under Insuring Agreement **B** - Defense and Liability.

(b) The following additional services apply to "personal data compromise" events involving "personally identifying information".

1) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

2) Identity Restoration Case Management

As respects any "affected individual" who is or appears to be a victim of "identity theft" that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) PR Services

We will pay the necessary and reasonable fees and expenses you incur, with our prior written consent, for a professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships. We will only pay for such fees and expenses when such a public relations firm review and response is reasonably necessary to avert or mitigate material damage to your business relationships from the "personal data compromise".

Such fees and expenses include costs to implement public relations recommendations of such public relations firm. However, when such recommendations include advertising and special promotions designed to retain your relationship with "affected individuals", we will not pay for promotions:

(a) Provided to any of your "executives" or "employees"; or

(b) Costing more than \$25 per "affected individual".

2. Insuring Agreement B - Defense and Liability

a. Coverage under Insuring Agreement B - Defense and Liability applies only if all of the following conditions are met:

(1) During the "coverage term" or any applicable Extended Reporting Period, you first receive notice of a "claim" or "regulatory proceeding" which arises from a "personal data compromise" that:

(a) Took place on or after the Retroactive Date shown in the Declarations and before the end of the "policy period"; and

(b) Took place in the "coverage territory"; and

(2) Such "claim" or "regulatory proceeding" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

b. If the conditions listed in a. above have been met, then we will pay on behalf of the "insured" "defense costs" and "data compromise liability" directly arising from the "claim" or "regulatory proceeding".

c. All "claims" or "regulatory proceedings" caused by a single "personal data compromise" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

3. Insuring Agreement C - Identity Recovery

a. Coverage under Insuring Agreement C - Identity Recovery applies only if all of the following conditions are met:

(1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Coverage Part; and

(2) Such "identity theft" is first discovered by the "identity recovery

insured" during the "coverage term"; and

(3) Such "identity theft" took place in the "coverage territory"; and

(4) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".

b. If the conditions listed in a. above have been met, then we will provide the following to the "identity recovery insured":

(1) Services of an "identity recovery case manager" as needed to respond to the "identity theft"; and

(2) Reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

B. Exclusions

1. Applicable to Insuring Agreements A and B only:

This insurance does not apply to "loss" or "claims" based upon, attributable to or arising out of:

a. Contractual Liability

An "insured's" assumption of liability by contract or agreement, whether oral or written. However, this exclusion shall not apply to:

(1) Any liability that an "insured" would have incurred in the absence of such contract or agreement; or

(2) Any PCI fines or penalties explicitly covered under Insuring Agreement B – Defense and Liability.

b. Criminal Investigations or Proceedings

Any criminal investigations or proceedings.

c. Deficiency Correction

Costs to research or correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a "personal data compromise".

d. Extortion

Any extortion or blackmail. This includes, but is not limited to, ransom

payments and private security assistance.

e. Fraudulent, Dishonest or Criminal Acts

Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by the "insured".

f. Non-monetary Relief

That part of any "claim" seeking any non-monetary relief.

g. Previously Reported Data Compromises

The same facts alleged or contained in any "claim" which has been reported, or in any circumstances of which notice has been given, under any insurance policy of which this Coverage Part is a renewal or replacement.

h. Prior Data Compromises

Any "personal data compromise" first occurring before the Retroactive Date shown in the Declarations, or any "claim" arising from a "personal data compromise" that first occurred prior to the Retroactive Date shown in the Declarations.

i. Prior or Pending Litigation

Any "claim" or other proceeding against an "insured" which was pending or existed prior to the "coverage term", or arising out of the same or substantially the same facts, circumstances or allegations which are the subject of, or the basis for, such "claim" or other proceeding.

j. Uninsurable

Any amount not insurable under applicable law.

k. Willful Complicity

The "insured's" intentional or willful complicity in a "personal data compromise".

2. Applicable to Insuring Agreement C only:

This insurance does not apply to:

a. Fraudulent, Dishonest or Criminal Acts

Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an

"identity recovery insured", whether acting alone or in collusion with others. However, this exclusion shall not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.

b. Professional or Business Identity

The theft of a professional or business identity.

c. Unreported Identity Theft

An "identity theft" that is not reported in writing to the police.

3. Applicable to Insuring Agreements A, B and C:

This insurance does not apply to "loss" or "claims" based upon, attributable to or arising out of:

a. Nuclear

Nuclear reaction or radiation or radioactive contamination, however caused.

b. War

(1) War, including undecared or civil war or civil unrest;

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

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

Provided, that this exclusion will not apply to "cyber terrorism".

SECTION II - LIMITS OF INSURANCE AND DEDUCTIBLE

A. Insuring Agreement A - Response Expenses:

1. The most we will pay under Insuring Agreement A - Response Expenses is the Response Expenses Limit of Insurance stated in the Declarations.

2. The Response Expenses Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for the total of all "loss" covered under Insuring Agreement A - Response Expenses arising out of all "personal data compromise" events which are first discovered by you

during the "coverage term". This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.

3. A "personal data compromise" may be first discovered by you in one "coverage term" but cause covered "loss" in one or more subsequent "coverage terms". If so, all covered "loss" arising from such "personal data compromise" will be subject to the Response Expenses Limit of Insurance applicable to the "coverage term" when the "personal data compromise" was first discovered by you.
4. The most we will pay under Insuring Agreement **A** - Response Expenses for Forensic IT Review, Legal Review and PR Services coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages stated in the Declarations. These sublimits are part of, and not in addition to, the Aggregate Limit of Insurance referenced in Paragraph **2**. PR Services coverage is also subject to a limit per "affected individual" as described in Section **I., A.1.b.(5)** PR Services.
5. Coverage for Services to "affected individuals" is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals" or the period required by law, whichever is longer. Notwithstanding the foregoing, coverage for Identity Restoration Case Management services initiated within such period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.
6. The Response Expenses Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Response Expenses Limit for the immediately preceding "coverage term".
7. Response Expenses coverage is subject to the Response Expenses Deductible stated in the Declarations. You shall be responsible for such deductible amount as respects each "personal data compromise" covered under this Coverage Part. We may, at our option, pay any part or all of the deductible amount in order to respond effectively to a "personal data compromise" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

B. Insuring Agreement B - Defense and Liability:

1. The most we will pay under Insuring Agreement **B** - Defense and Liability (other than post-judgment interest) is the Limit of Insurance stated in the Declarations.
2. The Insuring Agreement **B** - Defense and Liability Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for all "loss" covered under Insuring Agreement **B** - Defense and Liability (other than post-judgment interest) arising out of all "claims".
3. The most we will pay under Insuring Agreement **B** - Defense and Liability for "data compromise liability" and "defense costs" related to Regulatory Fines and Penalties and PCI Fines and Penalties coverages arising from any one "claim" or "regulatory proceeding" is the applicable sublimit for each of those coverages stated in the Declarations. These sublimits are part of, and not in addition to, the Aggregate Limit of Insurance referenced in Paragraph **2**.
4. The Defense and Liability Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Defense and Liability Limit for the immediately preceding "coverage term".
5. The Insuring Agreement **B** - Defense and Liability coverage is subject to the Deductible stated in the Declarations. You shall be responsible for such deductible amount as respects each "claim" or "regulatory proceeding" covered under this Coverage Part. We may, at our option, pay any part or all of the deductible amount to defend or effect settlement of any "claim", "loss" or "regulatory proceeding" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

C. Insuring Agreement C - Identity Recovery:

1. Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the Limit of Insurance available for "identity recovery expenses".
2. Coverage under Insuring Agreement **C** - Identity Recovery is subject to the Annual Aggregate Limit of Insurance stated in the Declarations per "identity recovery insured". Regardless of the number of "identity theft" incidents, this limit is the most we will pay for the total of all "loss" arising out of all "identity thefts" suffered

by one "identity recovery insured" which are first discovered by the "identity recovery insured" during the "coverage term". If an "identity theft" is first discovered in one "coverage term" and continues into other "coverage terms", all "loss" arising from such "identity theft" will be subject to the aggregate Limit of Insurance applicable to the "coverage term" when the "identity theft" was first discovered.

3. Legal costs as provided under Item **d.** of the definition of "identity recovery expenses" are part of, and not in addition to, the aggregate limit described in Paragraph **2**.
4. Item **e.** (Lost Wages) and Item **f.** (Child and Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to the sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the aggregate Limit of Insurance described in Paragraph **2**. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
5. Item **g.** (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to the sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the aggregate limit described in Paragraph **2**. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
6. Item **h.** (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to the sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the aggregate Limit of Insurance described in Paragraph **2**. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
7. Coverage under Insuring Agreement **C** - Identity Recovery is subject to the Identity Recovery Deductible stated in the Declarations. Each "identity recovery insured" shall be responsible for such deductible amount only once during each "coverage term". This deductible applies only to "identity recovery expenses".

The Limits of Insurance apply separately to each "coverage term".

SECTION III - DEFENSE AND SETTLEMENT

The provisions contained within this Section apply only to Insuring Agreement **B** - Defense and Liability.

1. We will have the right and duty to select counsel and defend the "insured" against any "claim" or "regulatory proceeding" covered by Insuring Agreement **B** - Defense and Liability, regardless of whether the allegations of such "claim" or "regulatory proceeding" are groundless, false or fraudulent. However, we shall have no duty to defend the "insured" against any "claim" or "regulatory proceeding" seeking damages or other relief not insured by Insuring Agreement **B** - Defense and Liability.
2. We may, with your written consent, make any settlement of a "claim" or "regulatory proceeding" which we deem reasonable. If you withhold consent to such settlement, our liability for all "loss" resulting from such "claim" will not exceed the amount for which we could have settled such "claim" or "regulatory proceeding" plus "defense costs" incurred as of the date we proposed such settlement in writing to you.
3. We shall not be obligated to pay any "loss", or to defend or continue to defend any "claim" or "regulatory proceeding", after the Insuring Agreement **B** - Defense and Liability Limit of Insurance has been exhausted.
4. We shall pay all interest on that amount of any judgment within the Insuring Agreement **B** - Defense and Liability Limit of Insurance which accrues:
 - a. After entry of judgment; and
 - b. Before we pay, offer to pay or deposit in court that part of the judgment within the Insuring Agreement **B** - Defense and Liability Limit of Insurance or, in any case, before we pay or offer to pay the entire Insuring Agreement **B** - Defense and Liability Limit of Insurance.

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

SECTION IV – CONDITIONS

1. Bankruptcy

Your bankruptcy, or the bankruptcy of your estate if you are a sole proprietor, will not relieve us of our obligations under this Coverage Part.

2. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" covered under this Coverage Part. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;

- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information" or "personally sensitive information", including shredding hard copy files and destroying physical media used to store electronic data.

3. Duties in the Event of a Claim, Regulatory Proceeding or Loss

- a. If, during the "coverage term", the "insured" first becomes aware of any circumstance that could reasonably be expected to give rise to a "claim" or "regulatory proceeding", the "insured" may give written notice to us. The notice must be made as soon as practicable, but in no event more than 60 days after the date the circumstance is first discovered by the "insured", must be made during the "coverage term" and must include:

- (1) The specific details, including the date, of the circumstance;
- (2) The alleged injuries or damage sustained or which may be sustained;
- (3) The names of potential claimants; and
- (4) The manner in which the "insured" first became aware of the circumstance.

Any subsequent "claim" or "regulatory proceeding" arising out of any circumstance which is the subject of such a written notice will be deemed to have been made at the time written notice in compliance with these requirements was first received by us.

- b. If a "claim" or "regulatory proceeding" is brought against any "insured", you must:
 - (1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received; and
 - (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you.
 - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection

with the "claim" or "regulatory proceeding";

- (4) Authorize us to obtain records and other information;
- (5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";
- (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this insurance may also apply; and
- (7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".

- c. In the event of a "personal data compromise" covered under Insuring Agreement A - Response Expenses, you must see that the following are done:

- (1) Notify the police if a law may have been broken.
- (2) Notify us as soon as practicable, but in no event more than 60 days after the "personal data compromise". Include a description of any property involved.
- (3) As soon as possible, give us a description of how, when and where the "personal data compromise" occurred.
- (4) As often as may be reasonably required, permit us to:
 - (a) Inspect the property proving the "personal data compromise";
 - (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
- (5) Send us signed, sworn proof of loss containing the information we request to investigate the "personal data compromise". You must do this within 60 days after our request. We will supply you with the necessary forms.

- (6) Cooperate with us in the investigation of the "personal data compromise" or settlement of the "loss".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "personal data compromise" or "loss".

- d. 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" or "loss", including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.
- e. No "insured" may, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

4. Help Line

For assistance, the "identity recovery insured" should call the **Identity Recovery Help Line** at **1-866-219-9831**. The **Identity Recovery Help Line** can provide the "identity recovery insured" with:

- a. Information and advice for how to respond to a possible "identity theft"; and
- b. Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under the policy. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity theft" has not occurred.

As respects Expense Reimbursement Coverage, the "identity recovery insured" must send to us, within 60 days after our request, receipts, bills or other records that support his or her claim for "identity recovery expenses".

5. Legal Action Against Us

- a. No person or organization has a right:
 - (1) To join us as a party or otherwise bring us into a suit asking for damages from an "insured"; or
 - (2) To sue us under this Coverage Part unless all of its terms have been fully complied with.

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

- b. You may not bring any legal action against us involving "loss":
 - (1) Unless you have complied with all the terms of this insurance;
 - (2) Until 90 days after you have filed proof of "loss" with us; and
 - (3) Unless brought within 2 years from the date you reported the "claim" or "loss" to us.

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

6. Legal Advice

We are not your legal advisor. Our determination of what is or is not covered under this Coverage Part does not represent advice or counsel from us about what you should or should not do.

7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the "policy period", we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current "policy period". We will make no

additional premium charge for this additional coverage during the interim.

8. Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

9. Other Insurance

- a. If any covered "loss" is covered by any other valid policy, then this Coverage Part shall apply only in excess of the amount of any deductible, retention and limit of insurance under such other policy whether such other policy is stated to be primary, contributory, excess, contingent or otherwise, unless such other policy is written specifically excess of this Coverage Part by reference in such other policy to this policy's policy number.
- b. When this insurance is excess, we will have no duty to defend the "insured" against any "claim" if any other insurer has a duty to defend the "insured" against that "claim". But we will have the right to associate in the defense and control of any "claim" that we reasonably believe is likely to involve the insurance provided under this Coverage Part. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

10. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under this Coverage Part for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Condition 12. Service Providers. You must provide the following at our pre-notification consultation with you:

- a. The exact list of "affected individuals" to be notified, including contact information.
- b. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals".
- c. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Response Expenses Limit.

11. Representations

You represent that all information and statements contained in any application or questionnaire submitted in connection with this Coverage Part are true, accurate and complete. All such information and statements are the basis for our issuing this Coverage Part and shall be considered as incorporated into and shall constitute a part of this Coverage Part. Misrepresentation or omission of any material fact may be grounds for the rescission of this Coverage Part.

12. Separation of Insureds

Except with respect to the applicable Limit of Insurance, and any rights or duties specifically assigned in this Coverage Part or the policy to which it is attached, to the first "named insured", this insurance applies separately to each "insured" against whom a "claim" is made.

13. Service Providers

- a. We will only pay under this Coverage Part for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Coverage Part. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in the Pre-Notification Consultation Condition above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
 - (1) Such alternate service provider must be approved by us;
 - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
 - (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

14. Services

The following conditions apply as respects any services provided to you or any "affected individual" or "identity recovery insured" by us, our designees or any service firm paid for in whole or in part under this Coverage Part:

- a. The effectiveness of such services depends on the cooperation and assistance of you, "affected individuals" and "identity recovery insureds".
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" and "identity recovery insureds" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.
- d. Except for the services of an "identity recovery case manager" under Insuring Agreement **C** - Identity Recovery, which we will provide directly, you will have a direct relationship with the professional service firms paid for in whole or in part under this Coverage Part. Those firms work for you.

15. Subrogation

With respect to any payment under this Coverage Part on behalf of any "insured", we shall be subrogated to the "insured's" rights of recovery to the extent of such payment. The "insured" shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us to bring suit in the "insured's" name. Any recoveries, less the cost of obtaining them, will be distributed as follows:

- a. To you, until you are reimbursed for any "loss" you sustain that exceeds the sum of the applicable Aggregate Limit of Insurance and the Deductible Amount, if any;
- b. Then to us, until we are reimbursed for the payment under this Coverage Part;
- c. Then to you, until you are reimbursed for that part of the payment equal to the Deductible Amount, if any.

16. Valuation - Settlement

All premiums, Limits of Insurance, Deductible Amounts, "loss" and any other monetary amounts under this Coverage Part are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is agreed to or another component of "loss" under this Coverage Part is expressed in any currency other than United States of America dollars, payment under this Coverage Part shall be made in United States dollars at the rate of exchange published in

The Wall Street Journal on the date the final judgment is entered, settlement amount is agreed upon, or the other component of "loss" is due, respectively.

17. When We Do Not Renew

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

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

SECTION V - EXTENDED REPORTING PERIODS

1. You shall have the right to the Extended Reporting Periods described in this section, in the event that:
 - a. You or we cancel this Coverage Part;
 - b. You or we refuse to renew this Coverage Part; or
 - c. We renew this Coverage Part on other than a claims-made basis or with a retroactive date later than the Retroactive Date shown in the Declarations.
2. If an event as specified in Paragraph 1. has occurred, you shall have the right to the following:
 - a. An Automatic Extended Reporting Period of 90 days after the effective date of cancellation or nonrenewal at no additional premium in which to give to us written notice of a:
 - (1) "Claim" or "regulatory proceeding" of which you first receive notice during said Automatic Extended Reporting Period for any "personal data compromise" occurring on or after the Retroactive Date shown on the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
 - (2) "Personal data compromise" you first discover during said Automatic Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; and
 - b. Upon payment of the additional premium stated in the Declarations, a Supplemental Extended Reporting Period for the term stated in the Supplemental Extended Reporting Period Endorsement will be provided immediately following the effec-

tive date of cancellation or nonrenewal in which to give to us written notice of a:

- (1) "Claim" or "regulatory proceeding" of which you first receive notice during said Supplemental Extended Reporting Period for any "personal data compromise" occurring on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
- (2) "Personal data compromise" you first discover during said Supplemental Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 60 days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

- c. The Limits of Insurance for the Extended Reporting Periods shall be part of, and not in addition to, the Limits of Insurance for the immediately preceding "coverage term".

SECTION VI - DEFINITIONS

- 1. "Affected individual" means any person whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this Coverage Part. This definition is subject to the following provisions:
 - a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".
 - b. An "affected individual" may reside anywhere in the world.
- 2. "Authorized representative" means a person or entity authorized by law or contract to act on behalf of an "identity recovery insured".
- 3. "Claim":
 - a. Means:

- (1) A civil proceeding in which it is alleged that the claimant suffered damages arising from:

- (a) A "personal data compromise"; or
- (b) The violation of a governmental statute or regulation arising from a "personal data compromise".

- (2) "Claim" includes:

- (a) An arbitration proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent;
- (b) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent; or
- (c) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.

- b. Does not include any demand or action brought by or on behalf of someone who is:

- (1) Your "executive";
- (2) Your owner or part-owner; or
- (3) A holder of your securities;

in their capacity as such, whether directly, derivatively, or by class action. "Claim" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual".

- 4. "Coverage term" means the following individual increment, or if a multi-year "policy period", increments, of time, which comprise the "policy period" of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year "policy period", each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the "policy period" shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b.** However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Coverage territory" means anywhere in the world.
 6. "Cyber terrorism" means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives. Provided, however, that such activities shall not be considered "cyber terrorism" when they are committed by or at the express direction of a government simultaneously engaged in an active conflict involving physical combat by one or more military forces of, or operating at the direction of, nation states or factions in the case of a civil war.
 7. "Data compromise liability":
 - a.** Means the following, when they arise from a "claim" or "regulatory proceeding":
 - (1) Damages (including punitive and exemplary damages and the multiple portion of any multiplied damage award), judgments or settlements;
 - (2) Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
 - (3) Pre-judgment interest on that part of any judgment paid by us.
 - b.** Also includes any Payment Card Industry (PCI) fine or penalty imposed under a contract to which you are a party when such fine or penalty arises from a "claim". PCI Fines and Penalties do not include any increased transaction costs.
 - c.** Also includes any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction when such fine or penalty arises from a "regulatory proceeding".
 - d.** Does not include:
- (1) Civil or criminal fines or penalties imposed by law, except for civil fines and penalties expressly covered under paragraphs **b.** and **c.** above;
 - (2) Taxes; or
 - (3) Matters which may be deemed uninsurable under the applicable law.
- e.** With respect to fines and penalties and punitive, exemplary and multiplied damages, the law of the jurisdiction most favorable to the insurability of those fines, penalties or damages shall control for the purpose of resolving any dispute between us and any "insured" regarding whether the fines, penalties or damages specified in this definition above are insurable under this Coverage Part, provided that such jurisdiction:
- (1) Is where those fines, penalties or damages were awarded or imposed;
 - (2) Is where any "personal data compromise" took place for which such fines, penalties or damages were awarded or imposed;
 - (3) Is where you are incorporated or you have your principal place of business; or
 - (4) Is where we are incorporated or have our principal place of business.
8. "Defense costs":
 - a.** Means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "claim" or "regulatory proceeding" against an "insured". Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
 - b.** Does not include the salaries or wages of your "employees", "executives" or "independent contractors", or your loss of earnings.
 9. "Employee" means any natural person, other than an "executive" or "independent contractor", who was, now is or will be:
 - a.** Employed on a full- or part-time basis by you;
 - b.** Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;
 - c.** Leased to you by a labor leasing firm under an agreement between you and the

- labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **9.b.**; or
- d.** Your volunteer worker, which includes unpaid interns.
- 10.** "Executive" means any natural person who was, now is or will be:
- a.** The owner of a sole proprietorship that is a "named insured"; or
 - b.** A duly elected or appointed:
 - (1)** Director;
 - (2)** Officer;
 - (3)** Managing Partner;
 - (4)** General Partner;
 - (5)** Member (if a limited liability company);
 - (6)** Manager (if a limited liability company); or
 - (7)** Trustee,
 of a "named insured".
- 11.** "Identity recovery case manager" means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured". This includes, with the permission and cooperation of the "identity recovery insured", written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.
- 12.** "Identity recovery expenses" means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft" suffered by an "identity recovery insured":
- a.** Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft".
 - b.** Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft".
 - c.** Costs for credit reports from established credit bureaus.
 - d.** Fees and expenses for an attorney approved by us for the following:
 - (1)** The defense of any civil suit brought against an "identity recovery insured".
 - (2)** The removal of any civil judgment wrongfully entered against an "identity recovery insured".
 - (3)** Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency.
 - (4)** Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report.
 - (5)** The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured".
 - e.** Actual lost wages of the "identity recovery insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.
 - f.** Actual costs for supervision of children or elderly or infirm relatives or dependents of the "identity recovery insured" during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured".
 - g.** Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured".
 - h.** Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".
 - (1)** Such costs include:
 - (a)** Costs by the "identity recovery insured" to recover control over his or her personal identity.
 - (b)** Deductibles or service fees from financial institutions.
 - (2)** Such costs do not include:
 - (a)** Costs to avoid, prevent or detect "identity theft" or other loss.

(b) Money lost or stolen.

(c) Costs that are restricted or excluded elsewhere in this Coverage Part or policy.

13. "Identity recovery insured" means the following:

- a.** When the entity insured under this Coverage Part is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the "named insured".
- b.** When the "named insured" under this Coverage Part is a partnership, the "identity recovery insureds" are the current partners.
- c.** When the "named insured" under this Coverage Part is a corporation or other form of organization, other than those described in **a.** or **b.** above, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured entity. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" shall be:
 - (1) The chief executive of the insured entity; or
 - (2) As respects a religious institution, the senior ministerial employee.
- d.** The legally recognized spouse of any individual described in **a.**, **b.** or **c.** above.

An "identity recovery insured" must always be an individual person. The "named insured" under this Coverage Part is not an "identity recovery insured".

14. "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

"Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

15. "Independent contractor" means any natural person who performs labor or service for you under a written contract or agreement with you. The status of an individual as an "independent contractor" will be determined as of the date of an alleged act, error or omission by such "independent contractor".

16. "Insured" means:

- a.** With respect to Insuring Agreement **A** - Response Expenses any "named insured".

b. With respect to Insuring Agreement **B** - Defense and Liability:

- (1) Any "named insured"; and
- (2) Any "employee" or "executive" of a "named insured", but:

(a) Only for the conduct of the "named insured's" business within the scope of his or her employment or duties as an "executive"; and

(b) Such "employee" or "executive" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.

- (3) At your option, any "independent contractor", but:

(a) Only for conduct related to the "named insured's" business and within the scope of his or her duties as an "independent contractor"; and

(b) Such "independent contractor" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.

c. With respect to Insuring Agreement **C** - Identity Recovery any "named insured".

17. "Loss" means:

a. With respect to Insuring Agreement **A** - Response Expenses:

Those expenses enumerated in Section **I**, **A.**, Paragraph **1.b.**

b. With respect to Insuring Agreement **B** - Defense and Liability:

(1) "Defense costs"; and

(2) "Data compromise liability".

c. With respect to Insuring Agreement **C** - Identity Recovery, "identity recovery expenses".

18. "Named insured" means the entity or entities shown in the Declarations as a Named Insured and their "subsidiaries".

19. "Personal data compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss,

theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

- a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:
 - (1) You; or
 - (2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.
- b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
 - (1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
 - (2) Such disposal or abandonment must take place during the time period for which this Coverage Part is effective.
- c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.
- d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be

considered one "personal data compromise".

20. "Personally identifying information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual" or "identity recovery insured". This includes, but is not limited to, Social Security numbers or account numbers.

"Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
21. "Personally sensitive information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

"Personally sensitive information" does not mean or include "personally identifying information".
22. "Policy period" means the cumulative total of each individual "coverage term" comprising the period of time from the inception date of this Coverage Part shown in the Declarations to the expiration date shown in the Declarations, or its earlier cancellation or termination date.
23. "Regulatory proceeding" means an investigation, demand or proceeding alleging a violation of law or regulation brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.
24. "Subsidiary" means any organization in which more than fifty (50) percent (%) of the outstanding securities or voting rights representing the present right to vote for the election of directors, trustees, managers (if a limited liability company) or persons serving in a similar capacity is owned, in any combination, by one or more "named insured(s)".

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

**CINCINNATI NETWORK DEFENDER™ COVERAGE PART
DECLARATIONS**

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

Attached to and forming part of POLICY NUMBER: **ETD 053 03 98** Effective Date **07-01-2022**

Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.

Retroactive Date: 07-01-2019

Limits of Insurance and Deductible

Insuring Agreement	Annual Aggregate	Sublimit	Deductible
A Computer Attack	\$100,000		\$1,000 ¹
		Cyber Extortion	\$10,000
		Loss of Business	\$50,000
		Public Relations	\$50,000
B Network Security and Electronic Media Liability	\$100,000		\$1,000 ²

TOTAL ANNUAL PREMIUM**\$242**

Optional Supplemental Extended Reporting Period - Term:	Optional Supplemental Extended Reporting Period - Premium:
1 YEAR	182
2 YEAR	363
3 YEAR	484
4 YEAR	605
5 YEAR	666
6 YEAR	726

FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

HC103 01/20 CINCINNATI NETWORK DEFENDER™ COVERAGE FORM

¹ Computer Attack Deductible other than Cyber Extortion

² Cyber Extortion Deductible

CINCINNATI NETWORK DEFENDER™ COVERAGE FORM**TABLE OF CONTENTS**

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CINCINNATI NETWORK DEFENDER™ COVERAGE FORM

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

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

Throughout this Coverage Part the words "you" and "your" refer to the "named insured" shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

SECTION I - COVERAGES

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which an Aggregate Limit of Insurance is shown in the Declarations:

1. Insuring Agreement A - Computer Attack

a. Coverage under Insuring Agreement A - Computer Attack applies only if all of the following conditions are met:

- (1) There has been a "computer attack"; and
- (2) Such "computer attack" is first discovered by you during the "policy period"; and
- (3) Such "computer attack" occurred in the "coverage territory"; and
- (4) Such "computer attack" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If all of the conditions in a. above have been met, then we will provide you the following coverages for "loss" directly arising from such "computer attack".

(1) Cyber Extortion

We will pay your necessary and reasonable "cyber extortion expenses".

(2) Data Restoration

We will pay your necessary and reasonable "data restoration costs".

(3) Data Re-creation

We will pay your necessary and reasonable "data re-creation costs".

(4) System Restoration

We will pay your necessary and reasonable "system restoration costs".

(5) Loss of Business

We will pay your actual "business income loss" and your necessary and reasonable "extra expenses".

(6) Public Relations

If you suffer covered "business income loss", we will pay the necessary and reasonable fees and expenses you incur, with our prior written consent, for a professional public relations firm review of and response to the potential impact of the "computer attack" on your business relationships. We will only pay for such fees and expenses when such a public relations firm review and response is reasonably necessary to avert or mitigate material damage to your business relationships from the "computer attack".

2. Insuring Agreement B - Network Security and Electronic Media Liability

a. Coverage under Insuring Agreement B - Network Security and Electronic Media Liability applies only if all of the following conditions are met:

- (1) During the "coverage term" or any applicable Extended Reporting Period, you first receive no-

tice of a "claim" which arises from a "wrongful act" that:

- (a) Took place on or after the Retroactive Date shown in the Declarations and before the end of the "policy period"; and
 - (b) Took place in the "coverage territory"; and
- (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on behalf of the "insured" the "insured's" necessary and reasonable "defense costs" and "settlement costs" directly arising from the "claim".
 - c. All "claims" caused by a single "wrongful act" or series of "interrelated" "wrongful acts" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

B. Exclusions

This insurance does not apply to "loss" or "claims" based upon, attributable to or arising out of:

1. Contractual Liability

An "insured's" assumption of liability by contract or agreement, whether oral or written. However, this exclusion shall not apply to any liability that an "insured" would have incurred in the absence of such contract or agreement.

2. Criminal Investigations or Proceedings

Any criminal investigations or proceedings.

3. Deficiency Correction

Costs to research or correct any deficiency.

4. Extortion

Any threat, extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance.

This exclusion does not apply to the extent that insurance coverage is provided under **SECTION I - COVERAGES**, Paragraph **A.1.b.(1) Cyber Extortion**.

5. Fines or Penalties

Any fines or penalties.

6. Fraudulent, Dishonest or Criminal Acts

Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by the "insured".

7. Information Technology Products

The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.

8. Infrastructure Failure

Failure or interruption of or damage to any electrical power supply network or telecommunication network not owned and operated by the "insured" including, but not limited to, the internet, internet service providers, DNS service providers, cable and wireless providers, internet exchange providers, search engine providers, tier 1 internet protocol networks and other providers of telecommunications or internet infrastructure.

9. Knowledge of Falsity

Any oral or written publication of material, if done by the "insured" or at the "insured's" direction with knowledge of its falsity.

10. Non-monetary Relief

That part of any "claim" seeking any non-monetary relief.

11. Nuclear

Nuclear reaction or radiation or radioactive contamination, however caused.

12. Patent or Trade Secret Infringement

Any actual or alleged patent or trade secret violation including any actual or alleged violation of the Patent Act, the Economic Espionage Act of 1996, or the Uniform Trade Secrets Act and their amendments.

13. Previously Reported Claims

The same facts alleged or contained in any "claim" which has been reported, or in any circumstances of which notice has been given, under any insurance policy of which this Coverage Part is a renewal or replacement.

14. Prior Wrongful Acts

Any "wrongful act" first occurring before the Retroactive Date shown in the Declarations or any "claim" arising from a "wrongful act" that first occurred prior to the Retroactive Date shown in the Declarations.

15. Prior or Pending Litigation

Any "claim" or other proceeding against an "insured" which was pending or existed prior to the "coverage term", or arising out of the same or substantially the same facts, circumstances or allegations which are the subject of, or the basis for, such "claim" or other proceeding.

16. Property Damage or Bodily Injury

"Property damage" or "bodily injury" other than "bodily injury" arising from an "electronic media incident".

17. War

- a. War, including undeclared or civil war or civil unrest;
- b. Warlike action by military force, including action hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by government authority in hindering or defending against any of these.

Provided, that this exclusion will not apply to "cyber terrorism".

18. Willful Complicity

The "insured's" intentional or willful complicity in a covered "loss" event or your reckless disregard for the security of your "computer system" or data.

SECTION II - LIMITS OF INSURANCE AND DEDUCTIBLE**A. Insuring Agreement A - Computer Attack**

1. The most we will pay under Insuring Agreement **A** - Computer Attack for Cyber Extortion coverage for "loss" arising from any one "computer attack" is the Cyber Extortion Sublimit stated in the Declarations. This Limit of Insurance is part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance stated in Paragraph 4. below.
2. The most we will pay under Insuring Agreement **A** - Computer Attack for Loss

of Business coverage for "loss" arising from any one "computer attack" is the Loss of Business Sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance stated in Paragraph 4. below.

3. The most we will pay under Insuring Agreement **A** - Computer Attack for Public Relations coverage for "loss" arising from any one "computer attack" is the Public Relations Sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance stated in Paragraph 4. below.
4. The Computer Attack Aggregate Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for the total of all "loss" covered under Insuring Agreement **A** - Computer Attack arising out of all "computer attack" events which are first discovered by you during the "coverage term". This limit applies regardless of the number of "computer attack" events first discovered during the "coverage term".
5. A "computer attack" may be first discovered by you in one "coverage term" but it may cause covered "loss" in one or more subsequent "coverage terms". If so, all covered "loss" arising from such "computer attack" will be subject to the Computer Attack Aggregate Limit of Insurance applicable to the "coverage term" when the "computer attack" was first discovered by you.
6. The Computer Attack Aggregate Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance for the immediately preceding "coverage term".
7. The Computer Attack coverage is subject to the:
 - a. Computer Attack other than Cyber Extortion; and
 - b. Cyber Extortion;

deductibles stated in the Declarations. In the event that elements of "loss" from the same "computer attack" include "cyber extortion expenses" as well as other insured expenses or costs, then only the single highest deductible will apply. You shall be responsible for the applicable deductible amount as respects "loss" arising from each "computer attack" covered under this Coverage Part.

B. Insuring Agreement B - Network Security and Electronic Media Liability

1. Except for post-judgment interest, the most we will pay under Insuring Agreement **B** - Network Security and Electronic Media Liability is the Network Security and Electronic Media Liability Aggregate Limit of Insurance stated in the Declarations.
2. The Network Security and Electronic Media Liability Aggregate Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for the total of all "loss" covered under Insuring Agreement **B** - Network Security and Electronic Media Liability (other than post-judgment interest) arising out of all "claims".
3. The Network Security and Electronic Media Liability Aggregate Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Network Security and Electronic Media Liability Aggregate Limit of Insurance for the immediately preceding "coverage term".
4. The Insuring Agreement **B** - Network Security and Electronic Media Liability coverage is subject to the Network Security and Electronic Media Liability Deductible stated in the Declarations. You shall be responsible for the applicable deductible amount as respects "loss" arising from each "claim" covered under this Coverage Part. We may, at our option, pay any part or all of the deductible amount to defend or effect settlement of any "claim" or "loss" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

The Limits of Insurance apply separately to each "coverage term".

SECTION III - DEFENSE AND SETTLEMENT

The provisions contained within this Section apply only to Insuring Agreement **B** - Network Security and Electronic Media Liability.

1. We will have the right and duty to select counsel and defend the "insured" against any "claim" covered by Insuring Agreement **B** - Network Security and Electronic Media Liability, regardless of whether the allegations of such "claim" are groundless, false or fraudulent. However, we shall have no duty to defend the "insured" against any "claim" seeking damages or other relief not insured by Insuring Agreement **B** - Network Security and Electronic Media Liability.
2. We may, with your written consent, make any settlement of a "claim" which we deem rea-

sonable. If you withhold consent to such settlement, our liability for all "loss" resulting from such "claim" will not exceed the amount for which we could have settled such "claim" plus "defense costs" incurred as of the date we proposed such settlement in writing to you.

3. We shall not be obligated to pay any "loss", or to defend or continue to defend any "claim", after the Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance has been exhausted.
4. We shall pay all interest on that amount of any judgment within the Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance which accrues:
 - a. After entry of judgment; and
 - b. Before we pay, offer to pay or deposit in court that part of the judgment within the Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance or, in any case, before we pay or offer to pay the entire Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance.

These interest payments shall be in addition to and not part of the Network Security and Electronic Media Liability Limit of Insurance.

SECTION IV - CONDITIONS

1. Bankruptcy

Your bankruptcy, or the bankruptcy of your estate if you are a sole proprietor, will not relieve us of our obligations under this Coverage Part.

2. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" covered under this Coverage Part. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security; and
- c. Maintaining and updating at appropriate intervals backups of computer data.

3. Duties in the Event of a Claim or Loss

- a. If, during the "coverage term", the "insured" first becomes aware of any circumstance that could reasonably be expected to give rise to a "claim", the "insured" may give written notice to us. The notice must be made as soon as practicable, but in no event more than 60 days

after the date the circumstance is first discovered by the "insured", must be made during the "coverage term" and must include:

- (1) The specific details, including the date, of the circumstance;
- (2) The alleged injuries or damage sustained or which may be sustained;
- (3) The names of potential claimants; and
- (4) The manner in which the "insured" first became aware of the circumstance.

Any subsequent "claim" arising out of any circumstance which is the subject of such a written notice will be deemed to have been made at the time written notice in compliance with these requirements was first received by us.

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

- (1) Immediately record the specifics of the "claim" and the date received; and
- (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" is first received by you.
- (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
- (4) Authorize us to obtain records and other information;
- (5) Cooperate with us in the investigation, settlement or defense of the "claim";
- (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" to which this insurance may also apply; and
- (7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim".

c. In the event of a "computer attack" covered under Insuring Agreement **A** - Computer Attack, you must see that the following are done:

- (1) Notify the police if a law may have been broken.

- (2) Notify us as soon as practicable, but in no event more than 60 days after the "computer attack". Include a description of any property involved.
 - (3) As soon as possible, give us a description of how, when and where the "computer attack" occurred.
 - (4) As often as may be reasonably required, permit us to:
 - (a) Inspect the property proving the "computer attack";
 - (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
 - (5) Send us signed, sworn proof of loss containing the information we request to investigate the "computer attack". You must do this within 60 days after our request. We will supply you with the necessary forms.
 - (6) Cooperate with us in the investigation or settlement of the "computer attack".
 - (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
 - (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
 - (9) Promptly send us any legal papers or notices received concerning the "computer attack" or "loss".
- d.** 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" or "loss", including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.
- e.** No "insured" may, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

4. Legal Action Against Us

a. No person or organization has a right:

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

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

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

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

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

5. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the "policy period", we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current "policy period". We will make no additional premium charge for this additional coverage during the interim.

6. Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

7. Other Insurance

- a. If any covered "loss" is covered by any other valid policy, then this Coverage Part shall apply only in excess of the amount of any deductible, retention and limit of insurance under such other policy whether such other policy is stated to be primary, contributory, excess, contingent or otherwise, unless such other policy is written specifically excess of this Coverage Part by reference in such other policy to this policy's policy number.
- b. When this insurance is excess, we will have no duty to defend the "insured" against any "claim" if any other insurer has a duty to defend the "insured" against that "claim". But we will have the right to associate in the defense and control of any "claim" that we reasonably believe is likely to involve the insurance provided under this Coverage Part. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

8. Representations

You represent that all information and statements contained in any application or questionnaire submitted in connection with this Coverage Part are true, accurate and complete. All such information and statements are the basis for our issuing this Coverage Part and shall be considered as incorporated into and shall constitute a part of this Coverage Part. Misrepresentation or omission of any material fact may be grounds for the rescission of this Coverage Part.

9. Separation of Insureds

Except with respect to the applicable Limit of Insurance, and any rights or duties specifically assigned in this Coverage Part or the policy to which it is attached, to the first "named insured", this insurance applies separately to each "insured" against whom "claim" is made.

10. Services

The following conditions apply as respects any services provided to you by any service firm provided or paid for in whole or in part under this Coverage Part:

- a. The effectiveness of such services depends on your cooperation and assistance.
- b. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

11. Subrogation

With respect to any payment under this Coverage Part on behalf of any "insured", we shall be subrogated to the "insured's" rights of recovery to the extent of such payment. The "insured" shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us to bring suit in the "insured's" name. Any recoveries, less the cost of obtaining them, will be distributed as follows:

- a. To you, until you are reimbursed for any "loss" you sustain that exceeds the sum of the applicable Aggregate Limit of Insurance and the Deductible Amount, if any;
- b. Then to us, until we are reimbursed for the payment under this Coverage Part;
- c. Then to you, until you are reimbursed for that part of the payment equal to the Deductible Amount, if any.

12. Valuation - Settlement

All premiums, Limits of Insurance, Deductible Amounts, "loss" and any other monetary amounts under this Coverage Part are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is agreed to or another component of "loss" under this Coverage Part is expressed in any currency other than United States of America dollars, payment under this Coverage Part shall be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the final judgment is entered, settlement amount is agreed upon, or the other component of "loss" is due, respectively.

13. When We Do Not Renew

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

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

SECTION V - EXTENDED REPORTING PERIODS

1. You shall have the right to the Extended Reporting Periods described in this section, in the event that:
 - a. You or we cancel this Coverage Part;
 - b. You or we refuse to renew this Coverage Part; or
 - c. We renew this Coverage Part on other than a claims-made basis or with a retroactive date later than the Retroactive Date shown in the Declarations.

2. If an event as specified in Paragraph 1. has occurred, you shall have the right to the following:

- a. An Automatic Extended Reporting Period of 90 days after the effective date of cancellation or nonrenewal at no additional premium in which to give to us written notice of a:

- (1) "Claim" of which you first receive notice during said Automatic Extended Reporting Period for any "wrongful act" occurring on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
- (2) "Computer attack" you first discover during said Automatic Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; and

- b. Upon payment of the additional premium stated in the Declarations, a Supplemental Extended Reporting Period for the term stated in the Supplemental Extended Reporting Period Endorsement will be provided immediately following the effective date of cancellation or nonrenewal in which to give to us written notice of a:

- (1) "Claim" of which you first receive notice during said Supplemental Extended Reporting Period for any "wrongful act" occurring on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
- (2) "Computer attack" you first discover during said Supplemental Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 60 days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not re-

ceive the written request as required, you may not exercise this right at a later date.

- c. The Limits of Insurance for the Extended Reporting Periods shall be part of, and not in addition to, the Limits of Insurance for the immediately preceding "coverage term".

SECTION VI - DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.
2. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
3. "Business income loss" means the sum of the:
 - a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal and necessary operating expenses incurred, including "employee", "executive" and "independent contractor" payroll,

actually lost by you during the "period of restoration".

4. "Claim":
 - a. Means a civil proceeding against an "insured" in which damages are alleged arising from a "wrongful act" or a series of "interrelated" "wrongful acts" allegedly committed by an "insured", including any appeal therefrom.
 - b. "Claim" includes:
 - (1) An arbitration or alternative dispute resolution proceeding that the "insured" is required to submit to or does submit to with our consent; or
 - (2) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.
 - c. Does not include any demand or action brought by or on behalf of someone who is:
 - (1) Your "executive";
 - (2) Your owner or part-owner; or
 - (3) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by dross action.

5. "Computer attack" means one of the following involving the "computer system":
 - a. An "unauthorized access incident";
 - b. A "malware attack";
 - c. A "denial of service attack" against a "computer system"; or
 - d. A "cyber extortion threat".
6. "Computer system" means a computer or other electronic hardware that:
 - a. Is owned or leased by you and operated under your control; or
 - b. Is operated by a third party service provider and used for the purpose of providing hosted computer application services to you or for processing, maintaining, hosting or storing your electronic data, pursuant to a written contract with you for such services, but such computer or other electronic hardware operated by such third party shall only be considered to be a "computer system" with respect to the specific services provided by such third party to you under such contract.
7. "Coverage term" means the following individual increment, or if a multi-year "policy period", increments, of time, which comprise the "policy period" of this Coverage Part:
 - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year "policy period", each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
 - (1) The day the "policy period" shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
 - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
8. "Coverage territory" means anywhere in the world.
9. "Cyber extortion expenses" means:

- a. The cost of a negotiator or investigator retained by you in connection with a "cyber extortion threat"; and
- b. Any amount paid by you in response to a "cyber extortion threat" to the party that made the "cyber extortion threat" for the purposes of eliminating the "cyber extortion threat";

when such expenses are necessary and reasonable and arise directly from a "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.

10. "Cyber extortion threat" means a demand for money from you based on a credible threat, or series of related credible threats, to:
- a. Launch a "denial of service attack" against the "computer system";
 - b. Gain access to a "computer system" and use that access to steal, release or publish "personally identifying information", "personally sensitive information" or "third party corporate data";
 - c. Alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";
 - d. Launch a "computer attack" against a "computer system" in order to alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";
 - e. Cause the "insured" to transfer, pay or deliver any funds or property using a "computer system" without your authorization; or
 - f. Inflict "ransomware" on a "computer system".

"Cyber extortion threat" does not include any threat made in connection with a legitimate commercial dispute.

11. "Cyber terrorism" means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives. Provided, however, that such activities shall not be considered "cyber terrorism" when they are committed by or at the express direction of a government simultaneously engaged in an active conflict involving physical combat by one or more military forces of, or operating at the

direction of, nation states or factions in the case of a civil war.

12. "Data re-creation costs":

- a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re-create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.
- b. "Data re-creation costs" also means your actual "business income loss" and your necessary and reasonable "extra expenses" arising from the lack of the lost or corrupted data during the time required to research, re-create and replace such data.
- c. "Data re-creation costs" does not mean costs to research, re-create or replace:
 - (1) Software programs or operating systems that are not commercially available; or
 - (2) Data that is obsolete, unnecessary or useless to you.

13. "Data restoration costs":

- a. Means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs", such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.
- b. Does not include costs to research, restore or replace:
 - (1) Software programs or operating systems that are not commercially available; or
 - (2) Data that is obsolete, unnecessary or useless to you.

14. "Defense costs":

- a. Means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "claim" against an "insured". Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
- b. Does not include the salaries or wages of your "employees". "executives" or "independent contractors", or your loss of earnings.

15. "Denial of service attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the internet.
16. "Electronic media incident" means the display of information in electronic form by you on a website or in an "insured's" email that resulted in an allegation of:
 - a. Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;
 - b. Defamation against a person or organization that is unintended;
 - c. A violation of a person's right of privacy, including false light and public disclosure of private facts; or
 - d. Interference with a person's right of publicity.
17. "Employee" means any natural person, other than an "executive" or "independent contractor", who was, now is or will be:
 - a. Employed on a full- or part-time basis by you;
 - b. Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;
 - c. Leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph b.; or
 - d. Your volunteer worker, which includes unpaid interns.
18. "Executive" means any natural person who was, now is or will be:
 - a. The owner of a sole proprietorship that is a "named insured"; or
 - b. A duly elected or appointed:
 - (1) Director;
 - (2) Officer;
 - (3) Managing Partner;
 - (4) General Partner;
 - (5) Member (if a limited liability company);
 - (6) Manager (if a limited liability company); or
- (7) Trustee,
of a "named insured".
19. "Extra expense" means the additional cost you incur to operate your business during the "period of restoration" over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
20. "Independent contractor" means any natural person who performs labor or service for you under a written contract or agreement with you. The status of an individual as an "independent contractor" will be determined as of the date of an alleged act, error or omission by such "independent contractor".
21. "Insured" means:
 - a. With respect to Insuring Agreement **A** - Computer Attack any "named insured".
 - b. With respect to Insuring Agreement **B** - Network Security and Electronic Media Liability:
 - (1) Any "named insured"; and
 - (2) Any "employee" or "executive" of a "named insured", but:
 - (a) Only for the conduct of the "named insured's" business within the scope of his or her employment or duties as an "executive"; and
 - (b) Such "employee" or "executive" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.
 - (3) At your option, any "independent contractor", but:
 - (a) Only for conduct related to the "named insured's" business and within the scope of his or her duties as an "independent contractor"; and
 - (b) Such "independent contractor" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.
22. "Interrelated" means all events or incidents that have as a common nexus any:
 - a. Fact, circumstance, situation, event, transaction, cause; or

- b. Series of causally connected facts, circumstances, situations, events, transactions or causes.
- 23. "Loss" means:**
- a. With respect to Insuring Agreement **A** - Computer Attack:
- Those expenses enumerated in Section **I, A.**, Paragraph **1.b.**
- b. With respect to Insuring Agreement **B** - Network Security and Electronic Media Liability:
- (1) "Defense costs"; and
- (2) "Settlement costs".
- 24. "Malware attack" means an attack that damages a "computer system" or data contained therein arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your "computer system" during the manufacturing process or normal maintenance.**
- 25. "Named insured" means the entity or entities shown in the Declarations as a Named Insured and their "subsidiaries".**
- 26. "Network security incident" means a negligent security failure or weakness with respect to a "computer system" which allowed one or more of the following to happen:**
- a. The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code.
- b. The unintended abetting of a "denial of service attack" against one or more other systems.
- c. The unintended loss, release or disclosure of "third party corporate data".
- 27. "Period of restoration" means the period of time that begins at the time that the "computer attack" is discovered by you and continues until the earlier of:**
- a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed; or
- b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch.
- 28. "Personally identifying information" means information, including health information, that**
- could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an individual. This includes, but is not limited to, Social Security numbers or account numbers.
- "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
- 29. "Personally sensitive information" means private information specific to an individual the release of which requires notification of affected individuals under any applicable law.**
- "Personally sensitive information" does not mean or include "personally identifying information".
- 30. "Policy period" means the cumulative total of each individual "coverage term" comprising the period of time from the inception date of this Coverage Part shown in the Declarations to the expiration date shown in the Declarations, or its earlier cancellation or termination date.**
- 31. "Property damage" means:**
- a. Physical injury to or destruction of tangible property including all resulting loss of use; or
- b. Loss of use of tangible property that is not physically injured.
- 32. "Ransomware" means any software that is used to demand a ransom payment by:**
- a. Restricting access to a "computer system"; or
- b. Encrypting data held within a "computer system".
- 33. "Settlement costs":**
- a. Means the following, when they arise from a "claim":
- (1) Damages (including punitive and exemplary damages and the multiple portion of any multiplied damage award), judgments or settlements;
- (2) Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
- (3) Pre-judgment interest on that part of any judgment paid by us.
- b. Does not include:
- (1) Civil or criminal fines or penalties imposed by law;

- (2) Taxes; or
 - (3) Matters which may be deemed uninsurable under the applicable law.
- c.** With respect to punitive, exemplary and multiplied damages, the law of the jurisdiction most favorable to the insurability of those fines, penalties or damages shall control for the purpose of resolving any dispute between us and any "insured" regarding whether the fines, penalties or damages specified in this definition above are insurable under this Coverage Part, provided that such jurisdiction:
- (1) Is where those fines, penalties or damages were awarded or imposed;
 - (2) Is where any "personal data compromise" took place for which such fines, penalties or damages were awarded or imposed;
 - (3) Is where you are incorporated or you have your principal place of business; or
 - (4) Is where we are incorporated or have our principal place of business.
- 34.** "Subsidiary" means any organization in which more than fifty (50) percent (%) of the outstanding securities or voting rights representing the present right to vote for the election of directors, trustees, managers (if a limited liability company) or persons serving in a similar capacity is owned, in any combination, by one or more "named insured(s)".
- 35.** "System restoration costs":
- a.** Means the costs of an outside professional firm hired by you to do any of the following in order to restore your "computer system" to its pre- "computer attack" level of functionality:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your "computer system".
- b.** Does not include:
- (1) Costs to increase the speed, capacity or utility of your "computer system";
 - (2) Labor of your "employees" or "executives";
 - (3) Any costs in excess of the "actual cash value" of your "computer system"; or
 - (4) Costs to repair or replace hardware.
- 36.** "Third party corporate data" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not an "insured" under this Coverage Part which is not available to the general public and is provided to the "named insured" subject to a mutually executed written confidentiality agreement or which the "named insured" is legally required to maintain in confidence; however, "third party corporate data" shall not include "personally identifiable information" or "personally sensitive information".
- 37.** "Unauthorized access incident" means the gaining of access to a "computer system" by:
- a.** An unauthorized person or persons; or
 - b.** An authorized person or persons for unauthorized purposes.
- 38.** "Wrongful act" means:
- a.** An "electronic media incident"; or
 - b.** A "network security incident".



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/3/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Martin & Zeffoss, Inc.
6730 Charlotte Pike
Nashville TN 37209

CONTACT NAME: Angie Wright

PHONE (A/C, No, Ext): 615-297-8500

FAX (A/C, No): 615-269-7390

E-MAIL ADDRESS: awright@martinzerfoss.com

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: THE CINCINNATI INSURANCE COMPANIES

10677

INSURER B: ACCIDENT FUND INSURANCE COMPANY OF

10166

INSURER C:

INSURER D:

INSURER E:

INSURER F:

INSURED INTRCO1
Intrepid College Preparatory dba
Independence Academy High School and Opportunity Academy
5432 Bell Forge Lane East
Antioch TN 37013

COVERAGES

CERTIFICATE NUMBER: 183518865

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/> OTHER: Sexual Abuse	Y		ETD 0530398	7/1/2022	7/1/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Limit \$ 1 Mil/2 Mil
A	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			ETD 0530398	7/1/2022	7/1/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	<input type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			ETD 0530398	7/1/2022	7/1/2023	EACH OCCURRENCE \$ 5,000,000 AGGREGATE \$ \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y / N	N / A	100033803	7/1/2022	7/1/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

*Teacher's Educator's Legal Liability
General Liability coverage includes Contractual Liability

CERTIFICATE HOLDER

Metropolitan Board of Public Education
2601 Bransford Avenue
Nashville TN 37204

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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**The Cincinnati Insurance Company
The Cincinnati Casualty Company
The Cincinnati Indemnity Company**

Policy Number: ETD 053 03 98

Effective Date: 07-01-2022

Named Insured: INTREPID COLLEGE PREPARATORY DBA INDEPENDENCE ACADEMY HIGH SCHOOL

For professional advice and policy questions or changes, please contact your local independent agency:

MARTIN & ZERFOSS, INC.
6730 CHARLOTTE PIKE
NASHVILLE, TN 37209-4204

615-297-8500

Dear Policyholder:

Thank you

Thank you for trusting The Cincinnati Insurance Companies with your commercial insurance coverage. We recognize that locally based independent agents have the working knowledge to help you choose the right insurance company for your needs. Together with your local independent insurance agency, we are committed to providing you with the highest level of service.

Please review your enclosed policy information to verify your coverage details, as well as deductibles and coverage amounts. Should your needs change, your agent is available to review and update your policy.

Please promptly report claims

If you experience a policy-related loss, you may report it by contacting your local professional independent agency representing The Cincinnati Insurance Companies or by directly calling us toll-free at **877-242-2544** and providing your policy number and claim-related information.

Sincerely,



Sean M. Givler
Senior Vice President - Commercial Lines

The Cincinnati Insurance Companies

Business Insurance

CINCINNATI NETWORK DEFENDER™

Cyber Risk Coverage for Computer Systems



Protecting your business

Businesses of all sizes depend on computer systems and the proprietary data stored on them to keep operations running smoothly. A computer attack may disrupt your operations, potentially threatening your business relationships, causing lost income and increasing your costs.

To protect your business, consider adequate security for your computer systems and adding Cincinnati Network Defender coverage to your commercial or management liability policy. This insurance provides two important types of cyber risk protection: computer attack coverage and network security and electronic media liability coverage.

Responding after a computer attack

Computer attack coverage helps your business recover after a cyberattack and pays for:

- data restoration services to help you replace lost or corrupted data from electronic sources
- data re-creation services to research, re-create and replace lost or corrupted data from non-electronic sources
- system restoration services to replace or reinstall software, remove malicious code and correct the configuration in order to restore your computer system to its pre-attack level of functionality
- cyber extortion expenses you incur to retain an investigator due to an extortion threat against your systems or data, including ransomware, and amounts paid in response to the extortion threat within the limit of insurance
- business income you lose and extra expenses you incur while your system and data recovery activities take place
- public relations services to assist with communications about the computer attack and your response

Covering your network security and electronic media liability

Network security and electronic media liability coverage pays for defense and settlement costs due to claims brought against you by third parties for alleged damage from a security failure in your computer system that leads to:

- breach of third-party business data
- unplanned forwarding or replication of malware
- unintentional support of a denial of service attack

For information, coverage availability in your state, quotes or policy service, please contact your local independent agent recommending coverage.



Everything Insurance Should Be®

It also pays for defense and settlement costs due to claims brought against you by third parties for alleged damages from your electronic communications that result in:

- defamation
- violation of a person's right of privacy
- interference with a person's right of publicity
- infringement of copyright or trademark

To round out your cyber risk insurance, you can also add Cincinnati Data Defender™ insurance that helps you respond to and recover from a data breach or the theft of personally identifiable information.

Businesses of all sizes face potential loss from using technology

No matter what size business you operate, you experience the same vulnerability to cyberattacks and network security liability claims as the biggest enterprises. Your daily operations are vulnerable to the types of attacks described in these hypothetical claims examples:

- *A customer claimed that a company sent him a damaging virus, and it cost \$30,000 in legal fees to get it resolved.**
- *A disgruntled former employee hacked the employer's computer system, which resulted in a \$25,000 IT bill to repair the damage.**
- *The costs of defending a network security lawsuit quickly added up to more than \$40,000.**
- *A nasty virus got into a customer's computer system, and it cost a fortune in out-of-pocket expenses and downtime before the system was restored.**

* These examples are provided for educational purposes only, and are not intended to illustrate the value of any claim or any particular type of claim. Every claim is adjusted according to its own specific set of facts.

Policyholder tools and resources

Your Network Defender coverage includes access for no additional charge to www.eriskhub.com/cic, a portal that provides you with news, information and resources you can use to help mitigate a hacking event, virus infection or other cyberattack. The eRiskHub also contains an optional section that offers My Tech Support, a technical support service you can subscribe to for a nominal fee for assistance troubleshooting, diagnosing and fixing common computer problems, including finding and removing viruses.

Choosing coverage from the right people

Cincinnati's commitment to you is simple. We deliver service from people who know you, your business and your community – your local independent insurance agent and our experienced team of insurance professionals. You can count on your agent and Cincinnati Insurance to be there, giving you the peace of mind you deserve. Talk to your local independent agent representing Cincinnati Insurance about adding these valuable coverages to protect you and the modern technology used to keep your business running smoothly.

Thank you for trusting your agent and Cincinnati to protect your business.



Everything Insurance Should Be®

For information, coverage availability in your state, quotes or policy service, please contact your local independent agent recommending coverage. This is not a policy. For a complete statement of the coverages and exclusions, please see the policy contract. "The Cincinnati Insurance Companies", "Cincinnati Insurance" and "Cincinnati" refer to member companies of the insurer group providing property and casualty coverages through The Cincinnati Insurance Company or one of its wholly owned subsidiaries – The Cincinnati Indemnity Company or The Cincinnati Casualty Company. Each insurer has sole financial responsibility for its own products. Not all subsidiaries operate in all states. Do not reproduce or post online, in whole or in part, without written permission. © 2020 The Cincinnati Insurance Company. 6200 S. Gilmore Road, Fairfield, OH 45014-5141.

NOTICE TO POLICYHOLDERS

DIRECT BILL ACCOUNT CREDIT PROCEDURE

This is a notice of how an account credit will be applied to your policy or to all of the policies being billed as single account.

Account Credits

- A.** If your account is comprised of **a single policy** and an endorsement or premium audit results in a credit (return premium), the credit is applied to that policy. If your account does not have a future installment due at the time the endorsement or audit is processed, the credit is refunded to the payor listed for your account. If you do not wish for credits to be automatically applied to future unpaid installments, please contact us to request a refund. Please note that the amount of the refund may vary based upon the date you contact us and your billing schedule.
- B.** If your account is comprised of **more than one policy** and an endorsement or premium audit results in a credit (return premium), the credit is applied in the following manner:
- Payments previously applied to your account are deferred.
 - The credit that results from the endorsement or audit is applied to the policy generating the credit.
 - The payments that were deferred are then reapplied to the account in order to satisfy the amount due.
 - Any excess payment that results from the credit is applied proportionately to your policies with a future payment or installment due.
 - If you do not wish for credits to be automatically applied to future unpaid installments, please contact us to request a refund. Please note that the amount of the refund may vary based upon the date you contact us and your billing schedule.
 - If your account does not have a future installment or payment due at the time the endorsement or audit is processed, the credit is refunded to the payor listed for your account.

(Does not apply to audit return premium for payors located in New York; Does not apply to premiums due more than 30 days from the date of processing for payors located in New Hampshire. These credits are automatically refunded to the payor)

To request a refund, contact us at:

Mailing Address

The Cincinnati Insurance Company
PO Box 14529
Cincinnati, OH 45250-0529

Toll free phone number

877-942-2455

Electronic mail

CinciBill@cinfin.com



The Cincinnati Insurance Company

A Stock Insurance Company

Headquarters: 6200 S. Gilmore Road, Fairfield, OH 45014-5141

Mailing address: P.O. Box 145496, Cincinnati, OH 45250-5496

www.cinfin.com ■ 513-870-2000

EDUCATIONAL INSTITUTIONS COMMON POLICY DECLARATIONS

Billing Method: **DIRECT BILL EFT**

POLICY NUMBER ETD 053 03 98 / ETA 053 03 98

NAMED INSURED INTREPID COLLEGE PREPARATORY DBA INDEPENDENCE ACADEMY HIGH SCHOOL
REFER TO IA905
ADDRESS 5432 BELL FORGE LN E
(Number & Street, ANTIOCH, TN 37013
Town, County,
State & Zip Code)

Previous Policy Number:

ETD0530398

Policy Period: At 12:01 A.M., STANDARD TIME AT YOUR MAILING ADDRESS SHOWN ABOVE

All coverages except Automobile and / or Garage

Policy number: ETD 053 03 98 FROM: 07-01-2022 TO: 07-01-2025

Automobile and / or Garage

Policy number: ETA 053 03 98 FROM: 07-01-2022 TO: 07-01-2023

Agency MARTIN & ZERFOSS, INC. 41-097

City NASHVILLE, TN

Legal Entity / Business Description

ORGANIZATION (ANY OTHER)

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

FORMS APPLICABLE TO ALL COVERAGE PARTS:

IL0017	11/98	COMMON POLICY CONDITIONS
IA102A	09/08	SUMMARY OF PREMIUMS CHARGED
IA904	04/04	SCHEDULE OF LOCATIONS
IA905	02/98	NAMED INSURED SCHEDULE
IA4236	06/20	POLICYHOLDER NOTICE TERRORISM INSURANCE COVERAGE
IA4521	03/20	NOTICE OF PRIVACY PRACTICES
IP404TN	06/94	IMPORTANT INFORMATION TO POLICYHOLDERS TENNESSEE
IP446	08/01	NOTICE TO POLICYHOLDERS
IA4006	07/10	SPECIAL PER OCCURRENCE DEDUCTIBLE ENDORSEMENT
IA4109TN	06/16	TENNESSEE CHANGES - CANCELLATION AND NONRENEWAL
IA4238	01/15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
IA4338	05/11	SIGNATURE ENDORSEMENT
IA4505	05/19	NOTICE TO POLICYHOLDERS EXCLUSION - NEURODEGENERATIVE INJURY

IA4519	12/19	NOTICE TO POLICYHOLDERS ATHLETIC OR SPORTS PARTICIPANTS EXCLUSIONS/LIMITATIONS
IA4525	03/21	NOTICE TO POLICYHOLDERS EXCLUSION - COMMUNICABLE DISEASE
FM502	07/08	COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS
GA532	07/08	COMMERCIAL GENERAL LIABILITY COVERAGE PART DECLARATIONS
CA532	10/13	EDUCATIONAL INSTITUTIONS CRIME COVERAGE PART DECLARATIONS
AA505	03/06	BUSINESS AUTO COVERAGE PART DECLARATIONS
USC513	05/10	COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS
HC502	01/18	CINCINNATI DATA DEFENDER™ COVERAGE PART DECLARATIONS
HC503	01/18	CINCINNATI NETWORK DEFENDER™ COVERAGE PART DECLARATIONS

Countersigned _____ By _____
(Date) (Authorized Representative)

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.

Named Insured: INTREPID COLLEGE PREPARATORY DBA INDEPENDENCE ACADEMY HIGH SCHOOL

IA 102 A 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF LOCATIONS

<u>LOC.</u>	<u>STREET ADDRESS</u>	<u>CITY</u>	<u>STATE</u>	<u>ZIP CODE</u>
1	5432 BELL FORGE LN E ANTIOCH, TN 37013-2322			
2	5221 HICKORY HOLLOW PKWY ANTIOCH, TN 37013-3003			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED INSURED SCHEDULE

This Schedule supplements the Declarations.

SCHEDULE

Named Insured:

**INTREPID COLLEGE PREPARATORY DBA
INDEPENDENCE ACADEMY HIGH SCHOOL
OPPORTUNITY ACADEMY**

POLICYHOLDER NOTICE

TERRORISM INSURANCE COVERAGE

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.

Your policy contains coverage for certain losses caused by terrorism.

Premium:

In accordance with the federal Terrorism Risk Insurance Act, we are required to notify you of the portion of the premium, if any, attributable to the coverage for terrorist acts certified under the Terrorism Risk Insurance Act.

- Refer to the SUMMARY OF PREMIUMS CHARGED or DECLARATIONS PAGE for the portion of your premium that is attributable to coverage for terrorist acts certified under the Act.

Federal Participation:

The Act also requires us to provide disclosure of federal participation in payment of terrorism losses.

- Under your policy, any losses caused by certified acts of terrorism would be partially reimbursed by the United States Government, Department of Treasury, under a formula established by federal law. Under this formula, the federal share equals a percentage, as specified in the Schedule below, 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.
- Schedule:

Federal Share of Terrorism Losses		Federal Share of Terrorism Losses	
Percentage	Calendar Year	Percentage	Calendar Year
85%	2015	80%	2022
84%	2016	80%	2023
83%	2017	80%	2024
82%	2018	80%	2025
81%	2019	80%	2026
80%	2020	80%	2027
80%	2021		

Cap on Insurer Participation:

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.

NOTE: IF YOUR POLICY IS A RENEWAL POLICY, THIS NOTICE IS PROVIDED TO SATISFY THE REQUIREMENTS UNDER THE TERRORISM RISK INSURANCE ACT FOR POLICYHOLDER DISCLOSURE: (1) AT THE TIME OF OUR OFFER TO RENEW THE POLICY AND (2) AT THE TIME THE RENEWAL IS COMPLETED.

NOTICE OF PRIVACY PRACTICES

For additional information on our privacy policies, including state specific information, please visit <https://www.cinfin.com/privacy-policy>.

IMPORTANT INFORMATION TO POLICYHOLDERS TENNESSEE

In the event you need to contact someone about this policy for any reason please contact your agent. If you have additional questions, you may contact the insurance company issuing this policy at the following address and telephone number.

The Cincinnati Insurance Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

The Cincinnati Life Insurance Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

The Cincinnati Casualty Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

The Cincinnati Indemnity Company
P.O. Box 145496
Cincinnati, Ohio 45250-5496
Telephone (513) 870-2278

**THE CINCINNATI INSURANCE COMPANY
THE CINCINNATI CASUALTY COMPANY
THE CINCINNATI INDEMNITY COMPANY**

NOTICE TO POLICYHOLDERS

Please be advised that in your application for insurance you disclosed information to The Cincinnati Insurance Company, The Cincinnati Casualty Company and The Cincinnati Indemnity Company. The information disclosed in the application and all information subsequently collected by any of these companies may be shared among all three.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIAL PER OCCURRENCE DEDUCTIBLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
CRIME AND FIDELITY COVERAGE PART**

A. Special Per Occurrence Deductible

1. If an "occurrence" happens to Covered Property under the Commercial Property Coverage Part and to Covered Property under at least one of the following:

- a. The Commercial Inland Marine Coverage Part, and
- b. The Crime and Fidelity Coverage Part;

the most we will deduct from any loss or damage in any one "occurrence" is the deductible indicated on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

2. This endorsement does not apply to any of the forms listed in Paragraphs a. and b.:

- a. * **Electronic Data Processing Coverage Form, Section III, 2. Deductible, a.(2) Specified Losses Deductible**

* **Water Backup from Sewers, Drains, Septic Systems or Sump Pumps Endorsement**

Windstorm or Hail Percentage Deductible Form

Earthquake and Volcanic Eruption Endorsement

Earthquake and Volcanic Eruption Endorsement (Sub-Limit Form)

Flood Coverage Endorsement

Equipment Breakdown Coverage (Including Production Equipment)

Equipment Breakdown Coverage (Excluding Production Equipment)

* **Temperature Change Coverage Form**

Commercial Crime Coverage Form, A. Insuring Agreements, 1. Employee Theft, 2. Forgery or Alteration, 6. Computer Fraud and 7. Funds Transfer Fraud

Crime Expanded Coverage (XC®) Coverage or Expanded Coverage Plus Forms, A. Insuring Agreements, 1. Employee Theft and 2. Forgery or Alteration

Government Crime Coverage Form, A. Insuring Agreements, 1. Employee Theft - Per Loss Coverage, 2. Employee Theft - Per Employee Coverage, 3. Forgery or Alteration, 7. Computer Fraud and 8. Funds Transfer Fraud

- * Or such coverage as provided in the CinciPlus® Commercial Property or Commercial Property Power Expanded Coverage or Expanded Coverage Plus Forms

- b. ☐ **Other**

B. Definition

For the purpose of this endorsement only, any definition of "occurrence" is deleted in its entirety and the following definition is added to:

- 1. COMMERCIAL PROPERTY CONDITIONS,**
- 2. COMMERCIAL INLAND MARINE CONDITIONS,**
- 3. COMMERCIAL CRIME COVERAGE FORM,**
- 4. CRIME EXPANDED COVERAGE (XC[®]) COVERAGE FORM, and**
- 5. GOVERNMENT CRIME COVERAGE FORM:**

"Occurrence" means all loss, damage, or a sequence of loss or damage, casualties or disasters arising from a single happening or event.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE CHANGES - CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

**CINCINNATI CYBER DEFENSE™ COVERAGE PART
CINCINNATI DATA DEFENDER™ COVERAGE PART
CINCINNATI NETWORK DEFENDER™ COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
CONTRACTORS' ERRORS AND OMISSIONS COVERAGE PART
CONTRACTORS' LIMITED POLLUTION LIABILITY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYEE BENEFIT LIABILITY COVERAGE PART
EMPLOYMENT PRACTICES LIABILITY COVERAGE PART
EXCESS LIABILITY COVERAGE PART
EXCESS WORKERS COMPENSATION AND EMPLOYERS LIABILITY COVERAGE PART
FARM COVERAGE PART
GOLF COURSE CHEMICAL APPLICATION LIMITED LIABILITY COVERAGE PART
HOLE-IN-ONE COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MACHINERY AND EQUIPMENT COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
STANDARD PROPERTY POLICY**

A. Paragraph 5. of the Cancellation Common Policy Condition is replaced by the following:

- 5.** If this policy is cancelled, we will send the first Named Insured any premium refund due.

The refund will be pro rata if:

- a.** We cancel; or
- b.** The policy is cancelled at the request of a premium finance company that has financed this policy under a premium finance agreement.

The refund may be less than pro rata if the first Named Insured cancels the policy.

The cancellation will be effective even if we have not made or offered a refund.

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

CANCELLATION OF POLICIES IN EFFECT FOR 60 DAYS OR MORE

If this policy has been in effect for 60 days or more, or if this policy is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- 1.** Nonpayment of premium, including any additional premium, calculated in accordance with our current rating manual, justified by a physical change in the insured property or a change in its occupancy or use;
- 2.** Your conviction of a crime increasing any hazard insured against;
- 3.** Discovery of fraud or material misrepresentation on the part of either of the following:
 - a.** You or your representative in obtaining this insurance; or
 - b.** You in pursuing a claim under this policy;

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Includes copyrighted material of ISO Commercial Risk Services, Inc., with its permission.

4. Failure to comply with written loss control recommendations;
5. Material change in the risk which increases the risk of loss after we issued or renewed insurance coverage;
6. Determination by the insurance commissioner that the continuation of the policy would jeopardize our solvency or would place us in violation of the insurance laws of Tennessee or any other state;
7. Your violation or breach of any policy terms or conditions; or
8. Other reasons that are approved by the insurance commissioner.

Notice of cancellation will state the reason for cancellation.

- C. The following is added and supersedes any provisions to the contrary.

NONRENEWAL

1. If we decide not to renew this policy, we will mail or deliver written notice of nonrenewal to the first Named Insured shown in the Declarations and to the agent, at least 60 days before:

- a. The expiration date of this policy; or
- b. The anniversary date of this policy, if the policy is written for a term of more than one year;

unless:

- a. We have offered to issue a renewal policy; or
- b. You have obtained replacement coverage or have agreed in writing to obtain replacement coverage.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's and agent's addresses shown in the policy. If notice is mailed, proof of mailing will be sufficient proof of notice.

- D. The following is added to the **Premiums** Common Policy Condition:

Whenever an insurance policy which is financed with a premium finance company is cancelled, the insurer shall return, within 30 days after the effective date of the cancellation, whatever gross unearned premiums are due under the insurance policy directly to the premium finance company for the account of the first Named 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:

All Commercial Lines Coverage Parts, Coverage Forms, Policies and Endorsements subject to the federal Terrorism Risk Insurance Act and any amendments and extensions thereto

- A.** The following definition is added with respect to the provisions of this endorsement:

"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 the federal Terrorism Risk Insurance 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.

- B. Cap On Losses from Certified Acts of Terrorism**

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 ex-

ceeds \$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.

- C. Application of Other Exclusions**

The terms and limitations of any terrorism exclusion, or the inapplicability, omission or absence of a terrorism exclusion, does not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part, Coverage Form, Policy or Endorsement such as losses excluded by:

1. Exclusions that address war, warlike action, insurrection, rebellion, revolution, military action, nuclear hazard, nuclear materials, nuclear reaction, radiation, or radioactive contamination;
2. Exclusions that address pollutants, contamination, deterioration, fungi or bacteria; or
3. Any other exclusion,

regardless if the "certified act of terrorism" contributes concurrently or in any sequence to the loss.

- D. Sunset Clause**

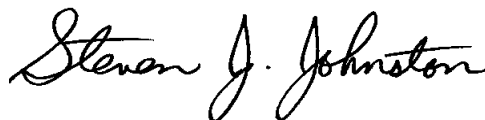
If the federal Terrorism Risk Insurance Act expires or is repealed, then this endorsement is null and void for any act of terrorism that takes place after the expiration or repeal of the Act.

SIGNATURE ENDORSEMENT

IN WITNESS WHEREOF, this policy has been signed by our President and Secretary in the City of Fairfield, Ohio, but this policy shall not be binding upon us unless countersigned by an authorized representative of ours. The failure to countersign does not void coverage in Arizona, Virginia and Wisconsin.



Secretary



President

The signature on any form, endorsement, policy, declarations, jacket or application other than the signature of the President or Secretary named above is deleted and replaced by the above signatures.

NOTICE TO POLICYHOLDERS

EXCLUSION - NEURODEGENERATIVE INJURY

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice is applicable to the following coverage parts:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE
EXCESS LIABILITY COVERAGE PART
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART

Restriction of Coverage

An exclusion for neurodegenerative injury has been added to your policy. This exclusion applies to a neurodegenerative injury to a participant resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

NOTICE TO POLICYHOLDERS ATHLETIC OR SPORTS PARTICIPANTS EXCLUSIONS/LIMITATIONS

This is a notice of change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice is applicable to the following coverage parts:

COMMERCIAL GENERAL LIABILITY COVERAGE PART COMMERCIAL UMBRELLA LIABILITY COVERAGE PART PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART

CG 22 71 Colleges or Schools (Limited Form)
CG 22 72 Colleges or Schools
GA 351 Exclusion - Athletic or Sports Participants
US 359 Colleges or Schools Limitation
US 361 Athletic or Sports Participants Limitation

The endorsements have been revised to amend the language to 'arising out of practicing or participating in' to reinforce that injuries can be revealed at a time later than the related practice or participation. Additionally, the endorsements have been revised to expressly address, in part, claims alleging negligence or other wrongdoing in the hiring, employment, training, supervision or monitoring of others by any insured. These changes are a reinforcement of original coverage intent.

GA 3060 Exclusion - Athletic or Sports Participants - All Contests or Exhibitions
US 4139 Athletic or Sports Participants Limitation - All Contents or Exhibitions

When used as a replacement for the **GA 351/US 361** or newly attached to a policy, these endorsements may result in a restriction in coverage with respect to events the insured does not sponsor.

NOTICE TO POLICYHOLDERS EXCLUSION - COMMUNICABLE DISEASE

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE CAREFULLY for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

This notice is applicable to the following coverage parts:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE
EXCESS LIABILITY COVERAGE PART
CLAIMS-MADE EXCESS LIABILITY COVERAGE PART**

When a **COMMUNICABLE DISEASE EXCLUSION** endorsement is attached to one or more coverage parts of your policy, coverage is excluded for liability arising out of the actual or alleged transmission of a communicable disease. The attachment of the endorsement may result in a reduction of coverage.

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER:ETD 053 03 98

Named Insured is the same as it appears on the Common Policy Dedarations unless otherwise stated here.

Loc. (address)

REFER TO IA904

COVERAGE PROVIDED					OPTIONAL COVERAGES Applicable only when an entry is made						
Item	Coverage	Limits	Coin- surance	Covered Cause Of Loss	Business Income Indemnity						
					Inflation Guard (%)	Replace- ment Cost (x)	Replace- ment Cost Ind. Stock (x)	Agreed Value (x)	Monthly Limit (fraction)	Maximum Period (X)	Extended Period (Days)
1	EQUIPMENT BREAKDOWN										
1-1	BUSINESS PERSONAL PROPERTY	167,544	90%	SPECIAL		X					
1-1	BUSINESS INCOME W/EXTRA EXPENSE (b)	12 MONTHS ALS SEE FA242		SPECIAL							
1-2	BUILDING	29,032	90%	SPECIAL		X					
1-3	BUILDING	29,032	90%	SPECIAL		X					
1-4	BUILDING	29,032	90%	SPECIAL		X					
1-5	AWNINGS OR CANOPIES	16,110	90%	SPECIAL		X					
1-6	BUILDING	29,032	90%	SPECIAL		X					
1-6	BUSINESS PERSONAL PROPERTY	11,169	90%	SPECIAL		X					
2	EQUIPMENT BREAKDOWN										
2-1	BUSINESS PERSONAL PROPERTY INCLUDING IMPROVEMENTS AND BETTERMENTS	268,070	90%	SPECIAL		X					
2-1	BUSINESS INCOME W/EXTRA EXPENSE (b)	12 MONTHS ALS SEE FA242		SPECIAL							

DEDUCTIBLE: \$500.00 unless otherwise stated \$1,000

MORTGAGE HOLDER

ItemName and Address

FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

FM101	05/16	BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)
FA4190	04/21	NOTICE TO POLICYHOLDERS OF REDUCTION IN COVERAGE CYBER INCIDENT
FA242	10/12	ACTUAL LOSS SUSTAINED BUSINESS INCOME ENDORSEMENT
FA282	05/16	EDUCATIONAL INSTITUTIONS COMMERCIAL PROPERTY ENDORSEMENT
FA283	05/16	CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT
FA286	05/16	THE BRIDGE ENDORSEMENT
FA319	04/21	AMENDMENT OF COVERAGE - CYBER INCIDENT EXCLUSION
FA450	05/16	COMMERCIAL PROPERTY CONDITIONS
FA480	02/16	LOSS PAYABLE PROVISIONS
FA245	04/20	EQUIPMENT BREAKDOWN COVERAGE
FA213	05/16	BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

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BUILDING AND PERSONAL PROPERTY COVERAGE FORM

(INCLUDING SPECIAL CAUSES OF LOSS)

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 G. DEFINITIONS.**

SECTION A. COVERAGE

We will pay for direct "loss" to Covered Property at the "premises" caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the following types of property for which a Limit of Insurance is shown in the Declarations:

a. Building

Building, means the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery and equipment;
 - (b) Building glass, including any lettering and ornamentation;
 - (c) Signs attached to a building or structure that is Covered Property;
 - (d) Awnings and canopies;
- (4) Personal property owned by you that is used to maintain or service a covered building 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 a covered building;

(b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the "premises", used for making additions, alterations or repairs to a covered building.

b. Outdoor Signs

Your outdoor signs permanently installed and not attached to a covered building, and located within 1,000 feet of the "premises".

c. Outdoor Fences

Your outdoor fences.

d. Business Personal Property

Your Business Personal Property consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater. Your Business Personal Property consists of the following unless otherwise specified in the Declarations or on the **BUSINESS PERSONAL PROPERTY - SEPARATION OF COVERAGE ENDORSEMENT.**

- (1) Furniture;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) The cost of 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 used in your business for which you have a contractual responsibility to insure. Such leased property is not considered personal property of others in your care, custody or control;

(8) Personal Property of Others that is in your care, custody or control or for which you are legally liable.

(a) This does not include personal effects owned by you, your officers, your partners, or if you are a limited liability company, your members or your managers, or your employees (including leased and temporary workers), except as provided in **5. Coverage Extensions, I. Personal Effects**;

(b) This does not include property of others for which you are legally liable as:

- 1) A carrier for hire; or
- 2) An arranger of transportation, including car loaders, consolidators, brokers, freight forwarders, or shipping associations; and

(9) Sales samples.

2. **Property Not Covered**

Covered Property does not include:

a. **Accounts, Deeds, Money or Securities**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities";

b. **Animals**

Animals, unless

- (1) Owned by others and boarded by you; or
- (2) Owned by you and covered as "stock" while inside of buildings;

and then only as provided in **3. Covered Causes of Loss, c. Limitations**.

c. **Automobiles**

Automobiles held for sale;

d. **Contraband**

Contraband, or property in the course of illegal transportation or trade;

e. **Electronic Data**

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, "Electronic data". This Paragraph e. 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, ventilation, air conditioning or security system.

f. **Excavations, Grading & Backfilling**

The cost of excavations, grading, backfilling or filling;

g. **Foundations**

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.

h. **Land, Water or Growing Crops**

Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetative roof);

i. **Paved Surfaces**

Bridges, roadways, walks, patios or other paved surfaces;

j. **Property While Airborne or Waterborne**

Personal property while airborne or waterborne;

k. **Pilings or Piers**

Pilings, piers, bulkheads, wharves or docks;

l. **Property More Specifically Insured**

Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except as provided in **G. Other Insurance** of the **COMMERCIAL PROPERTY CONDITIONS**;

m. **Retaining Walls**

Retaining walls that are not part of any building described in the Declarations;

n. **Underground Pipes, Flues or Drains**

Underground pipes, flues or drains;

o. Valuable Papers & Records and Cost to Research

Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the cost to research, replace or restore the information on "valuable papers and records", including those which exist as "electronic data".

This does not apply to "valuable papers and records" held for sale by you.

p. Vehicles or Self-Propelled Machines

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 "premises".

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (2) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (3) Rowboats or canoes out of water and located at the "premises"; or
- (4) Trailers, but only as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**.

q. Property While Outside of Buildings

The following property while outside of buildings (except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**):

- (1) Grain, hay, straw or other crops;
- (2) Signs, except:
 - (a) Signs attached to a covered building or structure;
 - (b) Signs for which a Limit of Insurance is shown in the Declarations.
- (3) Outdoor fences, except outdoor fences for which a Limit of Insurance is shown in the Declarations;
- (4) Radio antennas, television antennas or satellite dishes; including their lead-in wiring, masts, and towers; and

- (5) Trees, shrubs or plants (other than trees, shrubs or plants that are "stock" or part of a vegetative roof).

3. Covered Causes of Loss

a. Covered Causes of Loss

Covered Causes of Loss means direct "loss" unless the "loss" is excluded or limited in this Coverage Part.

b. Exclusions

- (1) We will not pay for "loss" caused directly or indirectly by any of the following, unless otherwise provided. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

(a) Ordinance or Law

Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the enforcement of or compliance with any ordinance or law:

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

This exclusion applies whether "loss" results from:

- 1) An ordinance or law that is enforced even if the building or structure has not been damaged; or
- 2) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of any building or structure, or removal of its debris, following a direct "loss" to that building or structure.

(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" 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" caused by that fire, building glass breakage or volcanic action.

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

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

With respect to coverage for Volcanic Action, 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 "loss" to the described property.

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

(d) Nuclear Hazard

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

(e) Utility Services

- 1) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services**, the failure of power, communication, water or other utility services supplied to the "premises", however caused, if the failure:

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

Failure of any utility service includes lack of sufficient capacity and reduction in supply. "Loss" caused by a surge of power is also excluded if the surge would not have occurred but for an event causing the failure of power.

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

Communication services include but are not limited to

service relating to Internet access or access to any electronic, cellular or satellite network.

(f) War and Military Action

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

(g) Water

- 1) Flood, meaning the partial or complete inundation of normally dry land areas due to:
 - a) The unusual or rapid accumulation or runoff of rain or surface waters from any source; or
 - b) Waves, tidal waters, tidal waves (including tsunami); or
 - c) Water from rivers, ponds, lakes, streams, or any other body of water that rises above, overflows from, or is not contained within its natural or man-made boundary;

and all whether driven by wind or not, including storm surge.
- 2) Mudslides or mudflows, which are caused by flooding as defined above in Paragraph (g)1) above. Mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current;

- 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic system, sump pump system or related equipment; 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.
- 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraphs (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2).

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 is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

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

(h) "Fungi", Wet Rot, Dry Rot, and Bacteria

- 1) Presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria. But if "fungi", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

2) This exclusion does not apply:

- a) When "fungi", wet or dry rot or bacteria results from fire or lightning; or**
- b) To the extent that coverage is provided in **SECTION A. COVERAGE, 5. Coverage Extensions, g. "Fungi", Wet Rot, Dry Rot and Bacteria - Limited Coverage** with respect to "loss" from 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" caused by or resulting from any of the following:

(a) Electrical Current

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:

- 1) Electrical current, including arcing;**
- 2) Electrical charge produced or conducted by a magnetic or electromagnetic field;**
- 3) Pulse of electromagnetic energy; or**
- 4) Electromagnetic waves or microwaves.**

However, if fire results, we will pay for "loss" caused by that fire.

(b) Delay or Loss of Use

Delay, loss of use or loss of market.

(c) Smoke, Vapor, Gas

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

(d) Miscellaneous Causes of Loss

- 1) Wear and tear;**
- 2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;**
- 3) Smog;**
- 4) Settling, cracking, shrinking or expansion;**
- 5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;**
- 6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, if mechanical breakdown results in elevator collision, we will pay for that portion of "loss" caused by that elevator collision; or**
- 7) The following causes of loss to personal property:**
 - a) Marring or scratching;**
 - b) Except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, a. Change in Temperature or Humidity** and **5. Coverage Extensions, q. Utility Services;****
 - i) Dampness or dryness of atmosphere; and**
 - ii) Changes in or extremes of temperature.**

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

(e) Explosion of Steam Apparatus

Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. However, if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for that portion of "loss" caused by that fire or combustion explosion. We will also pay for "loss" 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) Water Seepage

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) Freezing of Plumbing

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protection systems) caused by or resulting from freezing, unless:

- 1) You did your best to maintain heat in the building or structure; or
- 2) You drained the equipment and shut off the supply if the heat was not maintained.

(h) Dishonest or Criminal Acts

Dishonest or criminal acts (including theft) by you, any of your partners, members (if a limited liability company), officers, managers, employees (including leased workers or temporary employees) directors, trustees, or authorized representatives; whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during the hours of operation.

This **Dishonest or Criminal Acts** exclusion does not apply to acts of destruction by your employees (including leased workers or temporary employees) or by authorized representatives; except theft by employees (including leased workers or temporary employees) is not covered.

(i) Voluntary Parting Under False Pretense

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

(j) Exposure to Weather

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

(k) Collapse

Collapse, including any of the following conditions of property or any part of the property:

- 1) An abrupt falling down or caving in;
- 2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- 3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to Paragraph **(k)1)** or **2)** above.

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

This exclusion **Collapse** does not apply:

- 1) To the extent that coverage is provided under the **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse**; or
- 2) To collapse caused by one or more of the following:

- a) The "specified causes of loss";
- b) Breakage of building glass;
- c) Weight of rain that collects on a roof; or
- d) Weight of people or personal property.

(l) Pollutants

Discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" unless the discharge, dispersal, seepage, migration, release, escape or emission is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" results in a "specified cause of loss", we will pay for the "loss" caused by that "specified cause of loss".

This exclusion does not apply to "loss" to glass caused by chemicals applied to the glass.

m) Loss or Damage to Product

We will not pay for "loss" to Covered Property consisting of 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 "loss" caused by that Covered Cause of Loss.

(n) Neglect

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

- (3)** We will not pay for "loss" caused by or resulting from any of the following in Paragraphs **(3)(a)** through **(3)(c)**. However, if an excluded cause of loss that is listed in Paragraphs **(3)(a)** through **(3)(c)** results in a Covered Cause of Loss, we will pay for that portion of "loss" caused by that Covered Cause of Loss:

(a) Weather Conditions

Weather conditions, but this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a)** through **(1)(h)** to produce the "loss".

(b) Acts or Decisions

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

(c) Defects, Errors, and Omissions

- 1)** An act, error, or omission (negligent or not) relating to:

- a) Land use;
- b) Design, specifications, construction, workmanship;
- c) Planning, zoning, development, surveying, siting, grading, compaction; or
- d) Maintenance, installation, renovation, repair, or remodeling

of part or all of any property on or off the "premises";

- 2)** A defect, weakness, inadequacy, fault, or unsoundness in materials used in construction or repair of part or all of any property on or off the "premises"; or
- 3)** The cost to make good any error in design.

(4) Special Exclusions

The Special Exclusions apply only to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**; and if attached to this policy, the following coverage forms: **BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, and EXTRA EXPENSE COVERAGE FORM.**

We will not pay for:

- (a)** Any "loss" caused by or resulting from:

- 1) Damage or destruction of "finished stock"; or
- 2) The time required to reproduce "finished stock".

This Exclusion **(4)(a)** does not apply to Extra Expense.

- (b)** Any "loss" caused by or resulting from damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.

- (c)** Any increase of "loss" caused by or resulting from:

- 1) 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
- 2) Suspension, lapse or cancellation of any license, lease or contract. However, 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.

- (d)** Any Extra Expense caused by or resulting from suspension, lapse

or cancellation of any license, lease or contract beyond the "period of restoration".

- (e)** Any other indirect "loss".

c. Limitations

The following limitations apply to all policy forms and endorsements shown on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, unless otherwise stated:

(1) Limitations - Various Types of Property

We will not pay for "loss" to property as described and limited in this section. In addition, we will not pay for any "loss" that is a consequence of "loss" as described and limited in this section.

(a) Steam Apparatus

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" 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

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) Building Interiors

The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:

- 1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
- 2) The "loss" is caused by or results from thawing of

snow, sleet or ice on the building or structure.

(d) Theft of Building Materials

Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- 1) Building materials and supplies held for sale by you; or
- 2) "Business Income" coverage or Extra Expense coverage.

(e) Missing Property

Property that is missing, where the only evidence of the "loss" is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

(f) Transferred Property

Property that has been transferred to a person or to a place outside the "premises" on the basis of unauthorized instructions.

(g) Vegetative Roofs

Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:

- 1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
- 2) Changes in or extremes of temperature;
- 3) Disease;
- 4) Frost or hail; or
- 5) Rain, snow, ice or sleet.

(2) Limitations - Various Property for Specified Causes

We will not pay for "loss" 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 deemed necessary.

- (b)** Contractors equipment, machinery and tools 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 "premises"; or
- 2) To Business Income coverage or to Extra Expense coverage.

(3) Limitation - Personal Property Theft

This Limitation does not apply to "Business Income" coverage or to Extra Expense coverage. For each category described in Paragraph **c.(3)(a)** through **(3)(d)** below, the most we will pay for "loss" in any one occurrence of theft to all property in that category, regardless of the types or number of articles for that category that are lost or damaged in that occurrence, are the following special limits:

- (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 limitation does not apply to jewelry and watches worth \$100 or less per item.
- (c)** \$2,500 for Patterns, dies, molds and forms.
- (d)** \$250 for Stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are not additional Limits of Insurance.

(4) Limitation - System or Appliance Defects

- (a)** 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; and
- (b)** We will not pay to replace the substance that escapes as described in Paragraph **c.(4)(a)** above.

But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage results in discharge of any substance from an automatic fire protection system, or is directly caused by freezing.

However, this Limitation **c.(4)(a)** does not apply to "Business Income" Coverage or to Extra Expense Coverage.

4. **Additional Coverages**

Unless stated otherwise, **SECTION C. DEDUCTIBLE** does not apply to Paragraph 4. **Additional Coverages**.

Unless stated otherwise, these Paragraph 4. **Additional Coverages** apply on a per location basis.

a. Change in Temperature or Humidity

We will pay for direct "loss" to your covered Business Personal Property caused by a change in temperature or humidity or contamination by refrigerant resulting from damage by a Covered Cause of Loss to equipment used for refrigerating, cooling, humidifying, dehumidifying, air conditioning, heating, generating or converting power (including their connections and supply or transmission lines and pipes) when located on the "premises".

This Coverage is included within the Limits of Insurance shown in the Declarations.

b. Debris Removal

(1) Subject to Paragraphs **b.(2), (3)** and **(4)** of this Additional Coverage, we will pay your expense to remove debris of Covered Property and other debris that is on the "premises", when such debris is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss".

(2) Debris Removal does not apply to costs to:

- (a) Extract "pollutants" from land or water;
- (b) Remove, restore or replace polluted land or water;
- (c) Remove debris of property of yours that is not insured under this Coverage Part, or property in your possession that is not Covered Property;

(d) Remove debris of property owned by or leased to the landlord of the building where your "premises" are located, unless you have a contractual responsibility to insure such property and it is insured under this Coverage Part;

(e) Remove any property that is Property Not Covered, including property addressed under **5. Coverage Extensions, k. Outdoor Property**.

(f) Remove property of others of a type that would not be Covered Property under this Coverage Part;

(g) Remove deposits of mud or earth from the grounds of the "premises".

(3) Subject to the exceptions in Paragraph **b.(4)** below, the following provisions apply:

(a) The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained "loss".

(b) Subject to Paragraph **b.(3)(a)**, 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 "loss" to the Covered Property that has sustained "loss".

(4) We will pay up to an additional \$10,000 for debris removal expense for each "premises", in any one occurrence of direct "loss" 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 "loss" exceeds the Limit of Insurance on the Covered Property that has sustained "loss".

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

Therefore, if Paragraph **b.(4)(a)** and/or **(4)(b)** apply, our total payment for direct

"loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained "loss", plus \$10,000.

(5) Examples

The following examples assume that there is no coinsurance penalty.

Example #1

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$50,000
Amount of "Loss" Payable (\$50,000 - \$500)	\$49,500
Debris Removal Expense	\$10,000
Debris Removal Expense Payable (\$10,000 is 20% of \$50,000)	\$10,000

The debris removal expense is less than 25% of the sum of the "loss" payable plus the deductible. The sum of the "loss" payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore, the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

Example #2

Limit of Insurance	\$90,000
Amount of Deductible	\$500
Amount of "Loss"	\$80,000
Amount of "Loss" Payable (\$80,000 - \$500)	\$79,500
Debris Removal Expense	\$30,000
Debris Removal Expense Payable	
Basic Amount	\$10,500
Additional Amount	\$10,000

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the "loss" payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the "loss" payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the "loss" payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal ex-

pense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

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 \$5,000 in any one occurrence for your liability, which is determined prior to the direct "loss", for fire department service charges:

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

Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

d. Fire Protection Equipment Recharge

- (1) We will pay for the expenses you incur to recharge your automatic fire suppression system or portable fire extinguishers when the equipment is discharged:
 - (a) To combat a covered fire to which this insurance applies;
 - (b) As a result of another covered Cause of Loss other than fire; or
 - (c) As a result of an accidental discharge.
- (2) We will not pay your expenses to recharge fire protection equipment as a result of a discharge during testing or installation.
- (3) If it is less expensive to do so, we will pay your costs to replace your automatic fire suppression system or portable fire extinguishers rather than recharge that equipment.

The most we will pay in any one occurrence under this Additional Coverage is \$25,000. This Coverage is in addition to the Limits of Insurance shown in the Declarations.

e. Inventory or Appraisal

- (1) We will pay the necessary expenses you incur to prepare claim information as required by this Coverage Part. Expenses must result from:
 - (a) Taking inventories;
 - (b) Making appraisals; and

- (c) Preparing a statement of loss and other supporting exhibits.
- (2) We will not pay for any expenses:
 - (a) Incurred to prove that "loss" is covered;
 - (b) Incurred under **SECTION D. LOSS CONDITIONS, 2. Appraisal**;
 - (c) Incurred for examinations under oath;
 - (d) Billed by and payable to independent or public adjusters; or
 - (e) To prepare claims not covered by this Coverage Part.

The most we will pay for any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the shown in the Declarations.

f. Key and Lock Expense

- (1) If a key or master key is lost, stolen, or damaged, we will pay for:
 - (a) The actual expense of the new keys; and
 - (b) The adjustment of locks to accept new keys; or
 - (c) If required, new locks, including the expense of their installation;
 but only for locks at buildings or structures covered by this Coverage Part.
- (2) This Coverage does not apply to keys that were given to former employees.

The most we will pay in any one occurrence under this Additional Coverage is Limit of Insurance \$1,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

g. Ordinance or Law

- (1) If a covered building or structure sustains direct "loss" from a Covered Cause of Loss, resulting in the enforcement of or compliance with an ordinance or law that is in force at the time of "loss" and regulates the demolition, construction or repair of buildings or structures, or establishes zoning or land use requirements at the "premises", then subject to **SECTION D, LOSS CONDITIONS, 4. Loss Payment**, we will pay:

(a) Loss of Use of Undamaged Parts of Buildings

The costs you incur to rebuild at the same "premises" any undamaged portion of your building or structure caused by enforcement of or compliance with an ordinance or law requiring demolition of undamaged parts of the same building or structure. We will only pay the costs to satisfy the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

(b) Demolition Costs

The costs you incur to demolish and clear the site of undamaged parts of the same building or structure as a result of Paragraph **g.(1)(a)** above.

(c) Increased Costs of Construction

- 1) For buildings or structures to which **SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies, the increased costs to comply with the minimum standards of an ordinance or law to:
 - a) Repair or reconstruct damaged portions of that building or structure; and
 - b) Reconstruct or remodel undamaged portions of that building or structure whether or not demolition is required;

However, this increased cost of construction applies only if the building or structure is repaired, reconstructed or remodeled and is intended for occupancy similar to the building or structure it replaces, unless such occupancy is not permitted by zoning or land use ordinance or law.

- 2) For this Paragraph **g.(1)(c)** only, the increased costs to repair or reconstruct the following:

- a) The cost of excavations, grading, backfilling and filling;
- b) Foundation of the building;
- c) Pilings;
- d) Underground pipes, flues and drains.

The items listed in Paragraphs **g.2a)** through **g.2d)** above are deleted from **SECTION A. COVERAGE, 2. Property Not Covered;**

(2) We will not pay for:

- (a)** Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or
 - (b)** The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.
- (3)** We will not pay for "loss" due to any ordinance or law that:
- (a)** You were required to comply with before the "loss", even if the building or structure was undamaged; and
 - (b)** With which you failed to comply.
- (4)** The terms of this Additional Coverage apply separately to each building or structure covered by this Coverage Part.

The most we will pay under this Additional Coverage is \$10,000 per building. This is in addition to the Limit of Insurance shown in the Declarations for the building suffering "loss".

h. Pollutant Clean Up and Removal

We will pay your expenses to extract "pollutants" from land or water at the "premises" if the discharge, dispersal, seepage,

migration, release, escape or emission of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the "coverage term". 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 "premises" is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss during each "coverage term". This Coverage is in addition to the Limit of Insurance shown in the Declarations.

i. Preservation of Property

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

- (1)** While it is being moved or while temporarily stored at another location; and
- (2)** Only if the "loss" occurs within 60 days after the property is first moved.

This Coverage is included within Limit of Insurance shown in the Declarations for such Covered Property.

j. Rewards

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for "loss" in any one occurrence under this Additional Coverage is \$10,000. This Coverage is in addition to the Limit of Insurance shown in the Declarations.

5. Coverage Extensions

Unless amended within a particular Coverage Extension, each Extension applies to property located in or on the building described in the Declarations or in the open (or in a vehicle or portable storage unit) within 1,000 feet of the "premises".

The limits applicable to the Coverage Extensions are in addition to the Limit of Insurance shown in the Property Declarations. Limits of Insurance specified in these Extensions apply per location unless stated otherwise.

SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance, does not apply to these Coverage Extensions.

a. Accounts Receivable

SECTION C. DEDUCTIBLE does not apply to this Coverage Extension.

(1) When you sustain direct "loss" to your accounts receivable records caused by a Covered Cause of Loss, we will pay:

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

(2) Coverage does not apply to:

- (a) Records of accounts receivable in storage away from the "premises"; or
- (b) Contraband, or property in the course of illegal transportation or trade.

(3) We will extend coverage to include:

(a) Removal

If you give us written notice within 30 days of removal of your records of accounts receivable because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limit of Insurance applicable to this Coverage Extension.

(b) Away From Your Premises

The most we will pay in any one occurrence is \$5,000, regardless of the number of locations, for "loss" caused by a Covered Cause of Loss to Accounts Receivable while they are away from your "premises".

This Away From Premises Limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

(4) **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply to this Coverage Extension, except as follows:

- (a) **Exclusion (1)(c) Governmental Action;**
- (b) **Exclusion (1)(d) Nuclear Hazard;**
- (c) **Exclusion (1)(f) War and Military Action.**

(5) In addition to Paragraph **a.(4)** of this Coverage Extension, we will not pay for "loss" resulting from any of the following:

(a) Dishonest or criminal acts by:

- 1) You, your partners, employees, directors, trustees or authorized representatives;
- 2) A manager or a member if you are a limited liability company;
- 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
- 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **a.(5)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **a.(5)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

(b) Alteration, falsification, concealment or destruction of records of

accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.

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

- (c) Bookkeeping, accounting or billing errors or omissions.
- (d) Electrical or magnetic injury, disturbance or erasure of "electronic data" that is caused by or results from:
 - 1) Programming errors or faulty machine instructions;
 - 2) Faulty installation or maintenance of data processing equipment or component parts;
 - 3) An occurrence that took place more than 100 feet from your "premises"; or
 - 4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct "loss" caused by lightning.

- (e) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (f) A "loss" that requires any audit of records or any inventory computation to prove its factual existence.

(6) Determination of Receivables:

- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of direct "loss", the following method will be used:
 - 1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the direct "loss" occurs; and
 - 2) Adjust that total for any normal fluctuations in the amount of accounts receiv-

able for the month in which the direct "loss" occurred or for any demonstrated variance from the average for that month.

- (b) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - 1) The amount of the accounts for which there is no direct "loss"; and
 - 2) The amount of the accounts that you are able to re-establish or collect; and
 - 3) An amount to allow for probable bad debts that you are normally unable to collect; and
 - 4) All unearned interest and service charges.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

b. Business Income and Extra Expense

SECTION C. DEDUCTIBLE does not apply to this Coverage Extension.

(1) Business Income

We will pay for the actual loss of "Business Income" and "Rental Value" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at a "premises" caused by or resulting from any Covered Cause of Loss. With respect to "loss" to personal property in the open or personal property in a vehicle or portable storage unit, the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

With respect to the requirements of the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purpose of this Coverage Extension only, your "premises" is the portion of the building that you rent, lease or occupy, including:

- (a) Any area within the building or on the site at which the "premises" are located if that area ser-

vices or is used to gain access to the "premises"; and

- (b) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever is greater.

(2) Extra Expense

- (a) We will pay Extra Expense you sustain during the "period of restoration". Extra Expense means necessary expenses you sustain (as described in Paragraphs **(2)(b)**, **(c)** and **(d)**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- (b) If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **(2)(c)**) to:
 - 1) Avoid or minimize the "suspension" of business and to continue "operations" either:
 - a) At the "premises"; or
 - b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
 - 2) Minimize the "suspension" of business if you cannot continue "operations".
- (c) We will also pay expenses to:
 - 1) Repair or replace property; or
 - 2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal

"operations", the amount we will pay under this Coverage will be reduced by the salvage value of that property.

- (d) Extra Expense does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

(3) Civil Authority

When a Covered Cause of Loss causes damage to property other than Covered Property at a "premises", we will pay for the actual loss of "Business Income" and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (a) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (b) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

This Civil Authority coverage for "Business Income" will begin immediately after the time of that action and will apply for a period of up to 30 days from the date of that action.

This Civil Authority coverage for Extra Expense will begin immediately after the time of that action and will end:

- 1) 30 consecutive days after the time of that action; or
- 2) When your "Business Income" coverage ends;

whichever is later.

(4) Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss to:

- (a) New buildings or structures, whether complete or under construction;
- (b) Alterations or additions to existing buildings or structures; and
- (c) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
 - 1) Used in the construction, alterations or additions; or
 - 2) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" Coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

(5) Newly Purchased or Leased Locations

We will pay the actual loss of "Business Income" you sustain and Extra Expense you incur due to direct "loss" to Covered Property at any location you purchase or lease caused by or resulting from a Covered Cause of Loss. This coverage for the Newly Purchased or Leased Locations will end when any of the following first occurs:

- (a) This policy expires;
- (b) You report values to us;
- (c) 90 days pass from the date you acquire or begin to construct the Covered Property.

(6) Extended Business Income

- (a) For "Business Income" Other Than "Rental Value", if the necessary "suspension" of your "operations" produces a "Business Income" or Extra Expense "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain and Extra Expense you incur during the period that:
 - 1) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
 - 2) Ends on the earlier of:

- a) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(a)1)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

- (b) For "Rental Value", if the necessary "suspension" of your "operations" produces a "Rental Value" "loss" payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you incur during the period that:

- 1) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- 2) Ends on the earlier of:

- a) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or
- b) 60 consecutive days after the date determined in **b.(6)(b)1)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of

Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

(7) Interruption of Computer Operations

- (a)** Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data.**
- (b)** Paragraph **b.(7)(a)** 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 Paragraph **b.(7)(c)** has not been exhausted.
- (c)** The most we will pay under Paragraph **b.(7)** of this Coverage Extension is \$2,500 for all "loss" sustained and expense incurred in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional "loss" or expense in a subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

This \$2,500 coverage for Interruption of Computer Operations does not increase the Limit of Insurance provided in this Coverage Extension.

The most we will pay for "loss" in any one occurrence under this "Business Income" and Extra Expense Coverage Extension is \$25,000.

c. Collapse

The coverage provided under this Coverage Extension applies only to an abrupt collapse as described and limited in Paragraphs **c.(1)** through **c.(7)** below.

- (1)** For the purpose of this Coverage Extension only, abrupt collapse means an abrupt falling down or caving in of a building or structure or any part of a building or structure with the result that the building or structure or part of the building or structure cannot be occupied for its intended purpose.
- (2)** We will pay for direct "loss" to Covered Property, caused by abrupt collapse of a building or structure or any part of a building or structure insured under this Coverage Part, or that contains Covered property insured under this Coverage Part, if such collapse is caused by one or more of the following:
 - (a)** Building or structure decay that is hidden from view, unless the presence of such decay is known or should reasonably have been 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 or should reasonably have been 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 materials or methods in construction, remodeling, or renovation if the abrupt collapse occurs after construction, remodeling, or renovation is complete but only if the collapse is caused in part by:
 - 1)** A cause of loss listed in Paragraph **c.(2)(a)** or **c.(2)(b)** of this Coverage Extension;
 - 2)** One or more of the "specified causes of loss";

- 3) Breakage of building glass;
 - 4) Weight of people or personal property; or
 - 5) Weight of rain that collects on a roof.
- (3) This Coverage Extension does not apply to:
- (a) A building or structure or any part of a building or structure that is in danger of falling down or caving in;
 - (b) A part of a building or structure that is standing, even if it has separated from another part of the building or structure; or
 - (c) A building or structure that is standing or any part of a building or structure that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (4) With respect to the following property:
- (a) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
 - (b) Awnings, gutters and downspouts;
 - (c) Yard fixtures;
 - (d) Outdoor swimming pools;
 - (e) Fences;
 - (f) Piers, wharves and docks;
 - (g) Beach or diving platforms; including their appurtenances;
 - (h) Retaining walls; and
 - (i) Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in Paragraph **c.(2)(a)** through **c.(2)(d)**, we will pay for "loss" to that property only if:
- (a) Such "loss" is a direct result of the abrupt collapse of a building or structure insured under this Coverage Part; and
 - (b) The property is Covered Property under this Coverage Part.
- (5) If personal property abruptly falls down or caves in and such collapse

is **not** the result of abrupt collapse of a building or structure, we will pay for direct "loss" to Covered Property caused by such collapse of personal property only if:

- (a) The collapse of personal property was caused by a Cause of Loss listed in **c.(2)(a)** through **c.(2)(d)** of this Coverage Extension;
- (b) The personal property that collapses is inside a building; and
- (c) The property that collapses is not of a kind listed in Paragraph **c.(4)** above of this Coverage Extension, regardless of whether that kind of property is considered to be personal property or real property.

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

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

d. Electronic Data

- (1) This Coverage Extension 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, ventilation, air conditioning or security system.
- (2) We will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss that applies to **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property**. To the extent that "electronic data" is not replaced or restored, the "loss" will be valued at the cost of replacement of the me-

dia on which the "electronic data" was stored with blank media of substantially identical type.

- (3) For the purposes of this Coverage Extension only, 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, that is designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for "loss" 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 or "electronic data".

- (4) The most we will pay for all direct "loss" under this Coverage Extension, regardless of the number of "premises" or computer systems involved, is \$2,500. This limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent "loss" sustained in the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to an occurrence which begins in the "coverage term" and continues or results in additional "loss" in a subsequent "coverage term", all "loss" is deemed to be sustained in the "coverage term" in which the occurrence began.

e. Exhibitions, Fairs or Trade Shows

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while it is located at exhibitions, fairs or trade shows. This Coverage Extension does not apply while Covered Property is in transit to or from the exhibition, fair or trade show.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided under this Coverage Extension does not apply per location.

f. Fences

We will pay for direct "loss" caused by a Covered Cause of Loss to your outdoor fences that are located within 1,000 feet of the "premises" and not otherwise insured as Covered Property in this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage

- (1) The coverage described in Paragraphs **g.(2)** and **g.(3)** of this Coverage Extension only apply when the "fungi", wet or dry rot or bacteria is the result of a Covered Cause of Loss that occurs during the "coverage term" and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

- (2) We will pay for "loss" by "fungi", wet or dry rot or bacteria. As used in this Coverage Extension, the term "loss" means:

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

- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for "loss", regardless of the number of claims, is \$15,000. This limit is the most we will pay for the total of all "loss" arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungi", wet or dry rot or bacteria continues to be pre-

sent or active, or recurs, in a subsequent "coverage term".

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

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

- (5) The terms of this Coverage Extension do not increase or reduce the coverage provided under:

(a) **SECTION A. COVERAGE, 5. Coverage Extensions, c. Collapse;**

(b) **SECTION A. COVERAGE, 5. Coverage Extensions, s. Water, Other Liquids, Powder or Molten Material Damage**

- (6) The following (6)(a) or (6)(b) apply only if "Business Income", "Rental Value", or Extra Expense Coverage applies to the "premises" and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable "Business Income", "Rental Value", or Extra Expense Coverage.

(a) If the "loss" which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to "loss" to property caused by "fungi", 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" other than "fungi", wet or dry rot or bacteria but remedia-

tion of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for "loss" and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

- (7) This Coverage Extension does not apply to lawns, trees, plants or shrubs that are part of any vegetative roof.

h. Glass

- (1) If a Covered Cause of Loss occurs to building glass that is Covered Property, we will also pay necessary expenses you incur to:

(a) Put up temporary plates or board up openings if repair or replacement of damaged glass is delayed;

(b) Repair or replace encasing frames;

(c) Remove or replace obstructions (except expenses to remove or replace window displays); and

(d) Repair or replace alarm tapes.

- (2) If you are a tenant at a covered "premises" and:

(a) The building you occupy is not Covered Property; and

(b) You are legally liable for direct "loss" to the building glass in that building;

such building glass, for the purposes of this Paragraph h.(2), is Covered Property. The most we will pay for "loss" in any one occurrence is \$5,000. This building glass is subject to the building deductible as described in **SECTION C. DEDUCTIBLE**.

- (3) For the purposes of this Coverage Extension only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

(a) **Exclusion (1)(b) Earth Movement;**

(b) **Exclusion (1)(c) Governmental Action;**

- (c) **Exclusion (1)(d) Nuclear Hazard;**
- (d) **Exclusion (1)(f) War and Military Action;**
- (e) **Exclusion (2)(d)1** Wear and tear; and
- (f) As listed in **Exclusion (2)(d)2**: Rust or other corrosion, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

i. **Newly Purchased, Leased or Constructed Property**

(1) Buildings

If buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to:

- (a) Your new buildings or additions while being built on the "premises";
- (b) Buildings you newly purchase or become newly required to insure by written contract that are:
 - 1) Intended for use by you as a warehouse; or
 - 2) Similarly used by you as buildings insured under this Coverage Part.

The most we will pay for "loss" in any one occurrence to a building under this Coverage Extension is 1,000,000 for each building.

(2) Business Personal Property

- (a) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property you newly purchase or are required to insure by written contract:
 - 1) While located at buildings described in Paragraph **a.(1)** of this Coverage Extension; or
 - 2) While located in a leased building or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

- (b) Paragraph **a.(2)(a)** of this Coverage Extension does not apply to:

- 1) Any business personal property covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs, or Trade Shows or m. Property Off Premises;**
- 2) Any business personal property that is covered under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, p. Transportation** or is otherwise considered to be in-transit to or from a "premises".
- 3) Business personal property of others that is temporarily in your possession in the course of installing or performing work on such property, or temporarily in your possession in the course of your manufacturing or wholesaling activities.

The most we will pay for "loss" in any one occurrence to your Business Personal Property under this Coverage Extension is \$500,000 at each building.

(3) Period of Coverage

Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a) This policy expires,
- (b) For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (c) For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1**, 90 days after your purchase or lease;
- (d) For business personal property described in Paragraph **(2)(a)2**, 90 days from the effective date

of the lease of the building space in the building; or

(e) You report values to us.

We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

j. Nonowned Building Damage

If you are a tenant at a covered "premises" and:

- (1)** The building you occupy is not Covered Property; and
- (2)** You are legally liable for direct "loss" to that building;

We will pay for direct "loss" to that building caused by burglary, robbery, theft or attempted theft.

This Coverage Extension does not apply to:

- (1)** Glass, including lettering and ornamentation, and also necessary:
 - (a)** Repair or replacement of encasing frames or alarm tapes; and
 - (b)** Expenses incurred to board up openings or remove or replace obstruction.
- (2)** Building materials and equipment removed from the "premises".

This Coverage Extension does not apply if you have purchased other insurance in your name on the building you occupy as required by the lease.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$25,000.

k. Outdoor Property

We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:

- (1)** Radio antennas, television antennas or satellite dishes (including their lead-in wiring, masts and towers);
- (2)** Trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or part of a vegetative roof), including debris removal ; and
- (3)** If you are a tenant, to your awnings that are attached to a building you occupy;

but only if caused by or resulting from any of the following causes of loss if they are included as Covered Causes of Loss under this Coverage Part:

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

We will pay for the debris removal expenses of the above type property that are not your Covered Property if such debris is on your "premises" due to the Covered Causes of Loss described in this Coverage Extension. If you are a tenant, we do not pay debris removal expenses for trees, plants or shrubs owned by the landlord or owner of the building you occupy.

No other coverage for debris removal expenses provided in this Coverage Part applies to this Outdoor Property Coverage Extension.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000, but not more than \$1,000 for any one tree, shrub or plant.

l. Personal Effects

If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by:

- (1)** You, your officers, or your partners, or if you are a limited liability company, your members or your managers; or
- (2)** Your employees (including temporary and leased employees), including tools owned by your employees that are used in your business. However, employee tools are not covered for theft.

This Coverage Extension does not apply to "money" or "securities".

If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$500 per occurrence limitation for direct "loss" by theft.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

m. Property Off Premises

(1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others, while it is away from the "premises", if it is:

- (a) Temporarily at a location you do not own, lease or operate; or
- (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".

(2) This Coverage Extension does not apply to Covered Property at exhibitions, fairs, trade show, or in transit.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

n. Signs

We will pay for direct "loss" caused by a Covered Cause of Loss, including debris removal expense, to signs not otherwise insured by this Coverage Part.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

o. Trailers (Nonowned Detached)

(1) If business personal property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is temporarily in your care, custody or control at the "premises"; and
- (c) You have a contractual responsibility to pay for "loss" to the trailer.

(2) We will not pay for any direct "loss" 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) This insurance is excess over the amount due, whether you can collect on it or not, from any other insurance covering such property.

(4) This Coverage Extension does not apply to any property inside or on the trailer.

The most we will pay for "loss" in any one occurrence under this Coverage Extension is \$5,000.

p. Transportation

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered personal property of others while it is in or on a vehicle, including loading and unloading of the property.

The most we will pay for "loss" in any one occurrence is \$10,000.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

q. Utility Services

We will pay for:

(1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and

(2) Loss of "Business Income" you sustain and Extra Expenses you incur as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense;**

caused by or resulting from the partial or complete failure of utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

(1) Power Supply Property, meaning the following types of property supplying

electricity, steam or natural gas to the "premises":

- (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission, distribution, service, or similar lines, excluding all such overhead lines of any type.
- (2) Water Supply Property, meaning the following types of property supplying water to the "premises":
- (a) Pumping stations; and
 - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "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 Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Property, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular or satellite network; telephone, radio, microwave or television services to the "premises", such as:
- (a) Communication transmission, distribution, service or similar lines, including fiber optic lines, excluding all such overhead lines of any type;
 - (b) Coaxial cables; and
 - (c) Microwave radio relays, excluding satellites.

This Coverage Extension does not apply to "loss" to "electronic data", including destruction or corruption of "electronic data".

The most we will pay for all direct "loss" and loss of "Business Income" and Extra Expense in any one occurrence is \$25,000.

r. Valuable Papers and Records

SECTION C. DEDUCTIBLE does not apply to this Coverage Extension.

- (1) Subject to Paragraph **r.(3)** of this Coverage Extension, we will pay necessary costs you incur to re-search, replace or restore lost or damaged information on "valuable papers and records" that are your property or the property of others in your care, custody or control; resulting from direct "loss" caused by a Covered Cause of Loss.
- (2) Coverage does not apply to:
- (a) Property that cannot be replaced with other property of like kind and quality;
 - (b) Property held as samples or for delivery after sale;
 - (c) Property in storage away from the "premises", except as provided in Paragraph **r.(4)(b)** of this Coverage Extension;
 - (d) Contraband, or property in the course of illegal transportation or trade;
 - (e) "Valuable papers and records" in the form of "electronic data", including the materials on which the "electronic data" is recorded.
- (3) The most we will pay for "loss" is the least of the following amounts:
- (a) The cost of reasonably restoring the damaged property to its condition immediately before the "loss";
 - (b) The cost of replacing the damaged property with substantially identical property; or
 - (c) The actual cash value of the damaged property at the time of "loss".

However, we will not pay for "loss" unless or until the damaged property is actually replaced or restored; and then only if such replacement or restoration occurs within 36 months from the date of direct "loss".

- (4) We will extend coverage to include:

(a) **Removal**

If you give us written notice within 30 days of removal of your "valuable papers and records"

because of imminent danger of direct "loss" from a Covered Cause of Loss, we will pay for direct "loss" while they are:

- 1) At a safe place away from your "premises"; or
- 2) Being taken to and returned from that place.

This Removal coverage is included within the Limits of Insurance applicable to this Coverage Extension.

(b) Away From Your Premises

We will pay up to \$5,000 in any one occurrence, regardless of the number of locations, for direct "loss" caused by a Covered Cause of Loss to "valuable papers and records" while they are away from your "premises".

This Away From Premises limit is in addition to the Limit of Insurance applicable to this Coverage Extension.

(5) SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions does not apply to this Coverage Extension except as follows:

- (a) Exclusion (1)(c) Governmental Action;**
- (b) Exclusion (1)(d) Nuclear Hazard; and**
- (c) Exclusion (1)(f) War and Military Action.**

(6) In addition to Paragraph r.(5) of this Coverage Extension, we will not pay for direct "loss" resulting from any of the following:

- (a) Dishonest or criminal acts by:**
 - 1) You, your partners, employees, directors, trustees or authorized representatives;
 - 2) A manager or a member if you are a limited liability company;
 - 3) Anyone else with an interest in the records of accounts receivable, or their employees or authorized representatives; or
 - 4) Anyone else entrusted with the records of accounts receivable for any purpose.

This Paragraph **r.(6)(a)** applies whether or not such persons are acting alone or in collusion with other persons or such act occurs during the hours of employment.

However, this Paragraph **r.(6)(a)** does not apply to dishonest acts of a carrier for hire or to acts of destruction by your employees. However, theft by employees is still not covered.

- (b) Errors or omissions in processing or copying.** However, we will pay for that portion of direct "loss" caused by resulting fire or explosion if these causes of loss would be covered by this Coverage Part.
- (c) Electrical or magnetic injury, disturbance or erasure of electronic recordings.** But we will pay for direct "loss" caused by lightning.
- (d) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.**

The most we will pay for "loss" in any one occurrence is \$25,000.

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

If a covered direct "loss" to which this insurance applies was caused by or resulted from water or other liquid, powder or molten material damage, we will also pay the cost to tear out and replace any otherwise undamaged part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

SECTION B. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the applicable Limit of Insurance shown in the Declarations, except as amended in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, 4. Additional Coverages, and 5. Coverage Extensions.**

SECTION C. DEDUCTIBLE

Except as otherwise provided; in any one occurrence of direct "loss" we will first reduce the amount of "loss" if required by **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance or SECTION F. OPTIONAL COVERAGES, 1. Agreed Value.** If the adjusted amount of direct "loss" is less than or equal to the Deductible, we will not pay for that direct "loss". If the adjusted amount of direct "loss" exceeds the Deductible, we will then

subtract the Deductible from the adjusted amount of direct "loss", and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves direct "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.

1. Deductible Examples

Example No. 1:

(This example assumes there is no coinsurance penalty as outlined in **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance**).

Deductible: \$250

Limit of Insurance - Bldg. 1: \$60,000

Limit of Insurance - Bldg. 2: \$80,000

"Loss" to Bldg. 1: \$60,100

"Loss" to Bldg. 2: \$90,000

The amount of "loss" to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of "loss" in calculating the "loss" payable for Bldg. 1:

$\$60,100 - \$250 = \$59,850$ "Loss" Payable - Bldg. 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of "loss" payable for Bldg. 2. "Loss" payable for Bldg. 2 is the Limit of Insurance of \$80,000.

Total amount of "loss" payable: $\$59,850 + \$80,000 = \$139,850$.

Example No. 2:

(This example also assumes there is no coinsurance penalty).

The Deductible and Limits of Insurance are the same as those in Example No. 1:

"Loss" to Bldg. 1: \$70,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" to Bldg. 2: \$90,000 (Exceeds Limit of Insurance plus Deductible)

"Loss" Payable - Bldg. 1: \$60,000 (Limit of Insurance)

"Loss" Payable - Bldg. 2: \$80,000 (Limit of Insurance)

Total amount of "loss" payable: \$140,000.

2. Glass Deductible

When direct "loss" to the building you occupy only involves building glass, the Deductible for that "loss" will be the lesser of:

- a. \$500; or
- b. The Deductible shown in the Declarations for that Covered Property.

SECTION D. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

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, the amount of Net Income and operating expense, 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, the amount of Net Income and operating expense, 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 still retain our right to deny the claim.

3. Duties in the Event of Loss or Damage

- a. In the event of "loss" to Covered Property, you must see that the following are done in order for coverage to apply:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the "loss". Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the "loss" occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a

record of your expenses necessary to protect the Covered Property for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent "loss" resulting from a cause of loss that is not a Covered Cause of Loss.

- (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" 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) Submit 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" insured by this Coverage Part, at our option, we will either:
 - (1) Pay the value of lost or damaged property;
 - (2) Pay the cost of repairing or replacing the lost or damaged property;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality.

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 **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use or repair of any property, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- 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. Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. We will pay for insured "loss" 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.

i. **Loss Payment - Ordinance or Law.**

With respect to **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**:

(1) Loss of Use of Undamaged Parts of Building

When there is a loss in value of an undamaged portion of a building or structure to which this coverage applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (a) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is repaired or replaced, on the same "premises" or another "premises"; we will not pay more than the lesser of:

- 1) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same "premises" and to the same height, floor area, style and comparable quality of the original property insured; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

- (b) If **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION F. OPTIONAL COVERAGES, 3. Replacement Cost** applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:

- 1) The "actual cash value" of the building at the time of "loss"; or
- 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Loss of Use of Undamaged Parts of Building** for the building that has suffered "loss".

(2) Demolition Costs

Loss payment for Demolition Costs will be determined as follows:

We will not pay more than the lesser of the following:

- (a) The amount you actually spend to demolish and clear the site of the "premises"; or

- (b) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Demolition Costs** for the building that has suffered "loss".

(3) Increased Costs of Construction

Loss payment for **Increased Costs of Construction** will be determined as follows:

- (a) We will not pay for the increased cost of construction until the property is actually repaired or replaced, at the same "premises" or another location and unless the repairs or replacement are made as soon as reasonably possible after the direct "loss", not to exceed two years. We may extend this period in writing during the two years.
- (b) If the building is repaired or replaced at the same "premises", or if you elect to rebuild at another "premises", the most we will pay for the **Increased cost of construction** is the lesser of:
- 1) The increased cost of construction at the same "premises"; or
 - 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".
- (c) If the ordinance or law requires relocation to another location the most we will pay for the increased cost of construction is the lesser of:
- 1) The increased cost of construction at the new location; or
 - 2) The limit of insurance indicated in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law for Increased Costs of Construction** for the building that has suffered "loss".

(4) Proportional Payments

If the building or structure sustains both direct "loss" that is covered un-

der this Coverage Part and direct "loss" that is not covered under this Coverage Part; and as a result of the direct "loss" in its entirety you are required to comply with the ordinance or law, we will not pay the full amount of direct "loss" otherwise payable under the terms of **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**. Instead, we will pay a proportion of such direct "loss"; meaning the proportion that the covered direct "loss" bears to the total direct "loss".

j. Loss Determination - Business Income and Extra Expense

With respect to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**,

(1) The amount of "Business Income" and "Rental Value" "loss" will be determined based on:

- (a) The Net Income of the business before the direct "loss" occurred;
- (b) The likely Net Income of the business if no direct "loss" 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;
- (c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct "loss"; and
- (d) Other relevant sources of information, including:
 - 1) Your financial records and accounting procedures;
 - 2) Bills, invoices and other vouchers; and
 - 3) Deeds, liens or contracts.

(2) The amount of Extra Expense will be determined based on:

- (a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct "loss"

had occurred. We will deduct from the total of such expenses:

- 1) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
- 2) 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

(b) Necessary expenses that reduce the "Business Income" and "Rental Value" "loss" that otherwise would have been incurred.

(3) Resumption of Operations

We will reduce the amount of your:

- (a) "Business Income" and "Rental Value" "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 "premises" or elsewhere.
- (b) Extra Expense "loss" to the extent you can return "operations" to normal and discontinue such Extra Expense.

(4) 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.

k. Party Walls

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 all other provisions of this **SECTION D. LOSS CONDITIONS, 4. Loss Payment** including:

- (1) Limit of Insurance shown in the Declarations;
- (2) **SECTION D. LOSS CONDITIONS, 7. Valuation**; and
- (3) **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance.**

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 **COMMERCIAL PROPERTY CONDITIONS, I. Transfer Of Rights Of Recovery Against Others To Us** in this Coverage Part.

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 Coverage Part 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 Coverage Part 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:
 - 1) Rented to a lessee or sublessee and used by them to conduct their customary operations; or
 - 2) 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 direct "loss" occurs has been vacant for more than 60 consecutive days before that "loss", we will:

- (1) Not pay for any "loss" 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) Reduce the amount we would otherwise pay for the "loss" by 15% with respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** of this Loss Condition.

7. Valuation

We will determine the value of Covered Property in the event of direct "loss" as follows:

- a. At "Actual Cash Value" as of the time of direct "loss", except as provided in **b.**, **c.**, **d.**, and **e.** below.
- b. If the Limit of Insurance for Building satisfies **SECTION E. ADDITIONAL CONDITIONS, 1. 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 or compliance with any ordinance or law regulating the construction, use or repair of any property. However, the following property will be valued at 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. Tenant's Improvements and Betterments at:
 - (1) Replacement Cost 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.
 - (4) For the purposes of valuation, tenants' improvements and betterments are not considered to be the personal property of others.

SECTION E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

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 direct "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 direct "loss" by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in step (1);

- (3) Multiply to 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.

Example No. 1 (Underinsurance):

The value of the property is: \$250,000
 The coinsurance percentage is: 80%
 The Limit of Insurance is: \$100,000
 The Deductible is: \$250
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$ (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$100,000 \text{ divided by } \$200,000 = .50$

Step (3):

$\$40,000 \times .50 = \$20,000$

Step (4):

$\$20,000 - \$250 = \$19,750$.

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example No. 2 (Adequate Insurance):

The value of the property is: \$250,000
 The coinsurance percentage is: 80%
 The Limit of Insurance is: \$200,000
 The Deductible is: \$250
 The amount of "loss" is: \$40,000

Step (1):

$\$250,000 \times 80\% = \$200,000$ (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):

$\$200,000 : \$200,000 = 1.00$

Step (3):

$\$40,000 \times 1.00 = \$40,000$

Step (4):

$\$40,000 - \$250 = \$39,750$.

We will pay no more than \$39,750 "loss" in excess of the Deductible. No penalty applies.

- 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.

Example No. 3:

The values of the property are:

Bldg. at Location No. 1:	\$75,000
Bldg. at Location No. 2:	\$100,000

Personal Property at Location No. 2:	<u>\$75,000</u>
	250,000

The coinsurance percentage is: 90%
The Limit of Insurance for Buildings and Personal

Property at Location Nos. 1 and 2 is:	\$180,000
The Deductible is:	\$1,000
The amount of "loss" is:	
Bldg. at Location No. 2:	\$30,000
Personal Property at Location No. 2:	<u>\$20,000</u>
	\$50,000

Step (1):

$\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):
 $\$180,000 : \$225,000 = .80$

Step (3):
 $\$50,000 \times .80 = \$40,000$

Step (4):
 $\$40,000 - \$1,000 = \$39,000.$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

2. Mortgage Holders

- a. The term "mortgage holder" includes trustee.
- b. We will pay for covered "loss" to buildings or structures to each mortgage holder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgage holder has the right to receive loss payment even if the mortgage holder 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 mortgage holder will still have the right to receive loss payment if the mortgage holder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn statement 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 mortgage holder.

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

- e. If we pay the mortgage holder for any "loss" 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 mortgage holder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired.

At our option, we may pay to the mortgage holder 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 mortgage holder 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 mortgage holder at least ten days before the expiration date of this policy.

SECTION F. 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 direct "loss" to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Limit of Insurance indicated in the most current Statement of Values that applies to this Coverage Part.
- b. If the Agreed Value Optional Coverage is deleted from the policy, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage does not apply.
- c. The terms of this Optional Coverage apply only to "loss" that occurs:
 - (1) On or after the effective date of this Optional Coverage; and
 - (2) Before the policy expiration date.
- d. This Agreed Value Optional Coverage does not apply to **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense.**

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applies 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 beginning of the current "coverage term" or any other Coverage Part change amending the Limit of Insurance, multiplied by
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), multiplied by
 - (3) The number of days since the beginning of the current "coverage term" or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365. In the event of "loss", this number of days ends at the original date of "loss".

Example:

If: The applicable Limit of Insurance is: \$100,000

The Annual percentage increase is: 8%

The number of days since the beginning of the policy year (or last policy change) is: 146

The amount of increase is
 $\$100,000 \times .08 \times (146/365) = \$3,200$

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces "Actual Cash Value" in **SECTION D. LOSS CONDITIONS, 7. Valuation** of this **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.
- b. This Optional Coverage does not apply to:
 - (1) Personal Property of others, except leased personal property as described in **SECTION A. COVERAGE, 1. Covered Property, d.(7)**. The valuation of such leased personal property will be based on the amount for which you are liable under the lease, but not to exceed the replacement cost of the leased item.
 - (2) Personal effects;
 - (3) Contents of a residence;
 - (4) Manuscripts;
 - (5) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac;
 - (6) "Stock" unless the Replacement Cost including "Stock" option is shown in the Declarations; or
 - (7) Property, that at the time of "loss":
 - (a) Is outdated, or obsolete and is stored or not being used; or
 - (b) Has no practical value to you.
- c. You may make a claim for "loss" 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" 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".
- d. We will not pay on a replacement cost basis for any "loss":
 - (1) Until the lost or damaged property is actually repaired or replaced with other property of generally the same construction and used for the same

purpose as the lost or damaged property; and

- (2) Unless the repairs or replacement have been completed or at least underway within 2 years following the date of "loss".

- e. We will not pay more for "loss" on a replacement cost basis than the least of:

- (1) The Limit of Insurance applicable to the lost or damaged property;

- (2) The cost to replace, on the same "premises", the lost or damaged property with other property:

- (a) Of comparable material and quality; and

- (b) Used for the same purpose; or

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

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of or compliance with any ordinance or law regulating the construction, use, or repair of any building or structure except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law.**

SECTION G. DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.

2. "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 sustained, including payroll.

3. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

4. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if

any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or

- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

5. "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.

6. "Finished stock" means stock you have manufactured, except "stock" you have manufactured that is held for sale on the "premises" of any retail outlet insured under this Coverage Part.

7. "Fungi" means any type or form of fungus, and includes, but is not limited to, any form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

8. "Loss" means accidental physical loss or accidental physical damage.

9. "Money" means:

- a. Currency, coins and bank notes whether or not in current use; and

- b. Travelers checks, registered checks and money orders held for sale to the public.

10. "Operations" means:

- a. Your business activities occurring at the "premises"; and

- b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.

11. "Period of restoration" means the period of time that:

- a. Begins at the time of direct "loss".

- b. Ends on the earlier of:

- (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
- c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
- d. The expiration date of the policy will not cut short the "period of restoration".
12. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
 - b. You use, generate or produce the "pollutant".
13. "Premises" means the Locations and Buildings described in the Declarations.
14. "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 "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.
15. "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 or not in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which are not of your own issue; but does not include "money". Lottery tickets held for sale are not "securities" or evidences of debt.
16. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the Covered Property into subterranean voids created by the action of water on a limestone or similar rock formation. This does not include:
- a. The cost of filling sinkholes;
 - b. Sinking or collapse of land into man-made subterranean cavities; or
 - c. The value of the land.
17. "Specified causes of loss" means fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; falling objects; weight of snow, ice or sleet; and water damage.
- a. Falling objects does not include "loss" 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.
 - b. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
 - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe that is located off the "premises" and is part of a municipal potable water supply system or municipal sanitary sewer system, if the breakage or cracking is caused by wear and tear.

But water damage does not include "loss" otherwise excluded under the terms of **BUILDING AND BUSINESS PERSONAL PROPERTY, SECTION A. COVERAGE, 3. Covered Causes of Loss, (g) Water**. Therefore, for example, there is no coverage under this Coverage Part in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Exclusion **(g) Water**, there is no coverage for "loss" caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **18.b.(1)** or **18.b.(2)** of this definition of "Specified causes of loss", such

water is not subject to the provisions of Exclusion **(g) Water**.

18. "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.
19. "Suspension" means:
 - a. The slowdown or cessation of your business activities; and
 - b. That a part or all of the "premises" is rendered untenable.
20. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information.

But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

NOTICE TO POLICYHOLDERS OF REDUCTION IN COVERAGE CYBER INCIDENT EXCLUSION

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

Your policy contains one or more of the following forms:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
TEMPERATURE CHANGE LOSS FORM
CINCIPLUS COMMERCIAL PROPERTY XC (EXPANDED COVERAGE) ENDORSEMENT
CINCIPLUS COMMERCIAL PROPERTY POWER XC (EXPANDED COVERAGE) ENDORSEMENT
CINCIPLUS COMMERCIAL PROPERTY XC+ (EXPANDED COVERAGE PLUS) ENDORSEMENT
CINCIPLUS COMMERCIAL PROPERTY POWER XC+ (EXPANDED COVERAGE PLUS) ENDORSEMENT
CRAFT BEVERAGE COMMERCIAL PROPERTY ENDORSEMENT
EDUCATIONAL INSTITUTIONAL COMMERCIAL PROPERTY ENDORSEMENT
FITNESS AND RECREATION EXPANDED COMMERCIAL PROPERTY ENDORSEMENT
GOLF AND COUNTRY CLUB COMMERCIAL PROPERTY ENDORSEMENT
HEALTH CARE FACILITY COMMERCIAL PROPERTY ENDORSEMENT
HOTEL COMMERCIAL PROPERTY ENDORSEMENT
MEDICAL FACILITY COMMERCIAL PROPERTY ENDORSEMENT
SOCIAL SERVICES COMMERCIAL PROPERTY ENDORSEMENT
WATER UTILITIES COMMERCIAL PROPERTY ENDORSEMENT

With this policy renewal, your coverage has been amended to exclude cyber incidents with form **FA 319 - AMENDMENT OF COVERAGE - CYBER INCIDENT EXCLUSION**.

Excluded Coverage

Coverage is excluded for loss or damage caused by cyber incidents, meaning:

- Unauthorized access to or use of any computer system (including electronic data).
- 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.
- 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.

A cyber incident includes, but is not limited to, ransomware.

If your policy contains the **TEMPERATURE CHANGE LOSS FORM**, or if your policy contains a coverage section for **Temperature Change** via a Commercial Property Endorsement, cyber incidents causing temperature change are excluded in this form.

If your policy contains the **MORTGAGE INTEREST COVERAGE FORM**, cyber incidents are excluded in this form.

If your policy contains a coverage section for **Electronic Data Processing Property** via a Commercial Property Endorsement, cyber incidents are excluded for this electronic data processing property.

Limited Coverage

If fire or explosion results from a cyber incident, we will pay for that resultant loss.

Cyber Incident coverage is available on a limited basis for an additional premium charge. Please contact your insurance agent with any questions or concerns.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACTUAL LOSS SUSTAINED BUSINESS INCOME ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

(Enter number of months to activate coverage)

REFER TO FM502 consecutive months

- A.** This endorsement applies to the following Coverage Forms:
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**
- B.** For the purposes of this endorsement only, **SECTION A. COVERAGE, Additional Coverages, Extended Business Income, (1), (b), (ii)** is deleted in its entirety and replaced by the following, and **(iii)** is added:
- (ii)** 60 consecutive days after the date determined in **(1)(a)** above; or
- (iii)** The number of consecutive months after the date of direct physical "loss" indicated in the Schedule of this endorsement.
- C.** For the purposes of this endorsement only, **SECTION A. COVERAGE, Additional Coverages, Extended Business Income, (2), (b), (ii)** is deleted in its entirety and replaced by the following, and **(iii)** is added:
- (ii)** 60 consecutive days after the date determined in **(2)(a)** above; or
- (iii)** The number of consecutive months after the date of direct physical "loss" indicated in the Schedule of this endorsement.
- D.** For the purposes of this endorsement only, **SECTION F. DEFINITIONS, 7. "Period of Restoration", b.** is deleted in its entirety and replaced by the following:
- b.** Ends on the earlier of:
- (1)** The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality;
- (2)** The date when business is resumed at a new permanent location; or
- (3)** The number of consecutive months after the date of direct physical "loss" indicated in the Schedule of this endorsement.
- E.** When 12 or 18 months ALS (an acronym of Actual Loss Sustained) is shown in the Declarations as the Limit of Insurance for Business Income for a specific item, **SECTION B. LIMITS OF INSURANCE** is deleted in its entirety for that item.
- F.** If the policy to which this endorsement is attached has been issued for a period of more than one year, then this business income coverage is subject to annual rating.

EDUCATIONAL INSTITUTIONS COMMERCIAL PROPERTY ENDORSEMENT

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EDUCATIONAL INSTITUTIONS

COMMERCIAL PROPERTY ENDORSEMENT

EDUCATIONAL INSTITUTIONS SCHEDULE OF COVERAGE LIMITS

<u>Excess Limit Coverages (ELC):</u>	<u>Excess Limit Coverage (ELC) Limits of Insurance:</u>
Accounts Receivable	\$250,000, plus ELC
Building	Limits apply as specifically scheduled, plus ELC
Business Personal Property	Limits apply as specifically scheduled, plus ELC
Debris Removal	\$250,000, plus ELC
Employee Personal Effects	\$50,000 (\$25,000 any one employee), plus ELC
Excess Limit Coverage (ELC)	25% of specified Property, up to \$500,000 per occurrence
Fine Arts	\$50,000 (\$10,000 any one item), plus ELC
Outdoor Property	\$50,000 (\$10,000 per tree, shrub or plant), plus ELC
Peak Season	Included in ELC
<u>Other Coverages:</u> (not subject to Excess Limit Coverage)	<u>Limit of Insurance:</u>
Animals	\$25,000 (\$2,500 per any one animal)
Athletic and Band Uniforms, Athletic Equipment, Theater Costumes, Props and Scenery	\$100,000
Audio Visual Equipment and Cameras	\$100,000
Automated External Defibrillators (AED)	\$25,000 (\$5,000 per any one AED)
Brands and Labels	Included in Business Personal Property Limit
Business Income and Extra Expense	\$100,000 Business Income, \$300,000 Extra Expense
Business Income from Dependent Properties	\$25,000 (24 hour waiting period)
Interruption of Computer Operations	\$25,000 sublimit (24 hour waiting period)
Electronic Vandalism	\$25,000
Contract Penalties	\$100,000
Duplicate and Backup "Electronic Data"	\$10,000 sublimit
Electronic Data Processing Property	Included in Business Personal Property Limit
Emergency Vacating Expense	\$25,000
Exhibitions, Fairs or Trade Shows	\$250,000
Fences	Included in Building Limit
Fire Department Service Charge	\$50,000
Fire Protection Equipment Recharge	Actual Loss Incurred
Fundraising Event Cancellation Business Income	\$50,000
Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage	\$50,000
Harvested Crops	\$25,000
Inflation Guard	4% on covered Buildings
Inventory or Appraisal	\$300,000
Key and Lock Expense	\$50,000
Musical Instruments	\$100,000
Ordinance or Law	Cov A included up to building limit, Cov B, C \$1,000,000 per building

Paved Surfaces	Included in Building Limit
Pollutant Clean Up and Removal	\$100,000
Preservation of Property	180 days
Property Off Premises	\$250,000
Prototypes	Included in BPP Limit
Research and Development Documentation	\$250,000
Rewards	25% of covered loss up to \$100,000
Signs	\$100,000
Stamps, Tickets, and Gift Cards	\$1,000
Students Personal Effects	\$100,000 (\$5,000 per student)
Temperature Change	\$100,000
Trailers (Nonowned Detached)	\$50,000
Transportation	\$250,000
Underground Property	Included in Building Limit
Unnamed Locations	\$200,000
Unscheduled Appurtenant Buildings, Structures and Equipment	Buildings, Structures and Equipment included in Building Limit (Contents included in Business Personal Property)
Utility Services	
Direct and Indirect Damage	\$100,000
Overhead Power Lines	\$5,000 sublimit (24 hour waiting period)
Valuable Papers	\$250,000
Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems	\$100,000
Water Under the Ground Surface	\$25,000
Windblown Debris	\$10,000
Worldwide Laptop Coverage	\$50,000 (\$10,000 any one item in any one occurrence)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS COMMERCIAL PROPERTY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

A. Accounts Receivable

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, a. Accounts Receivable**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Accounts Receivable** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

B. Animals

For the purposes of this endorsement only, **SECTION A. COVERAGE, 2. Property Not Covered, b. Animals** is deleted in its entirety.

For the purposes of this endorsement only, **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (2) Limitations - Various Property for Specified Causes, (a)** is deleted in its entirety.

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Animals

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to animals which are:

- (1) Owned by others and boarded by you;
- (2) Owned by you and covered as "stock" while inside of buildings; or
- (3) Part of your agricultural, vocational or equestrian program.

Animals may be located inside or outside of buildings other than poultry which are covered only while inside buildings.

However, we will not pay for direct "loss" unless caused by or resulting from the following:

- (1) "Specified causes of loss";
- (2) Accidental shooting or drowning;
- (3) Attack by dogs or wild animals;
- (4) Collision with a vehicle;
- (5) Electrocution; or
- (6) Theft.

However, coverage applies only if the animal is killed or its destruction is made necessary for humane reasons.

The most we will pay for "loss" in any one occurrence is the **Animals** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits, but not more than \$2,500 for any one animal. The Limit of Insurance provided by this Coverage Extension does not apply per location.

C. Athletic and Band Uniforms, Athletic Equipment and Theater Costumes, Props and Scenery

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Athletic and Band Uniforms, Athletic Equipment and Theater Costumes, Props and Scenery

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to athletic and band uniforms, athletic

equipment and theater costumes, props and scenery that are your property or the property of others that is in your care, custody or control while:

- (1) At the "premises"; or
- (2) If it is temporarily at a location you do not own, lease, or operate.

This Coverage Extension does not apply to athletic and band uniforms, athletic equipment and theater costumes, props and scenery at exhibitions, fairs, trade shows or in transit.

For the purposes of this Coverage Extension only, the following exclusion in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is deleted:

Exclusions (1)(g) Water

The most we will pay for "loss" in any one occurrence is the **Athletic and Band Uniforms, Athletic Equipment and Theater Costumes, Props and Scenery** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage Extension does not apply per location.

D. Audio Visual Equipment and Cameras

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Audio Visual Equipment and Cameras

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to Audio Visual Equipment and Cameras and related equipment and accessories that are your property or the property of others that is in your care, custody or control while:
 - (a) At the "premises"; or
 - (b) Away from the "premises" if it is temporarily at a location you do not own, lease, or operate.
- (2) This Coverage Extension does not apply to Audio Visual Equipment and Cameras and related equipment and accessories at exhibitions, trade shows, fairs or in transit.
- (3) This Coverage Extension does not apply to direct "loss" by mysterious disappearance.
- (4) For the purposes of this Coverage Extension only, the following exclusions in

SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions are deleted:

- (a) Exclusion (1)(b) **Earth Movement**; and
- (b) Exclusions (1)(g) **Water**.

The most we will pay for "loss" in any one occurrence is the **Audio Visual Equipment and Cameras** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. The Limit of Insurance provided by this Coverage Extension does not apply per location.

E. Automated External Defibrillators

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Automated External Defibrillators

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to Automated External Defibrillators (AEDs) that are your property or the property of others that is in your care, custody, or control while:

- (1) At the "premises"; or
- (2) While temporarily at a location you do not own, lease, or operate.

This Coverage Extension does not apply to AEDs insured by any other coverage under this Coverage Part.

The most we will pay for "loss" in any one occurrence is the **Automated External Defibrillators** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits, but not more than the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for any one Automated External Defibrillator. The Limit of Insurance provided by this Coverage Extension does not apply per location.

F. Brands and Labels

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Brands and Labels

If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of

the property at an agreed or appraised value. If so, you may:

- (1) Stamp the word "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
- (2) Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.

The most we will pay for loss in any one occurrence under **Brands and Labels** is the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

G. Broadened Business Personal Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property** is amended to include the following:

"Scientific and professional equipment"

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

"Scientific and professional equipment" means medical, engineering, veterinary, measurement, recoding, analyzing or similar equipment.

H. Business Income and Extra Expense

- (1) For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS, 11. "Period of restoration"** is deleted in its entirety and replaced by the following:

"Period of restoration" means the period of time that:

a. Begins:

- (1) At the time of direct "loss" for "Business Income" coverage; or
- (2) Immediately after the time of direct "loss" for Extra Expense coverage;

Caused by or resulting from any Covered Cause of Loss at the "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 "premises" should be repaired, rebuilt or replaced; or

- (2) The date when the school term is resumed at a new permanent location.

c. "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".

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

2. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense**, the definition of "operations" in **SECTION G. DEFINITIONS** is deleted in its entirety and replaced by the following:

"Operations" means:

- a. Your business activities occurring at the "premises" including generating tuition and related fees from students such as room, board, laboratories and other similar sources. Your business activities also include bookstores, athletic events, activity related to research grants or similar business activities.**
- b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.**

3. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, Item (6)(a) Extended Business Income** is deleted in its entirety and replaced by the following:

- (a) For "Business Income" Other Than "Rental Value", if the necessary**

"suspension" of your "operations" produces a "Business Income" or Extra Expense loss payable under this policy, we will pay for the actual loss of "Business Income" and Extra Expense you sustain during the school term following the date the property is actually repaired, rebuilt or replaced, if that date is 60 days or less before the scheduled opening of the next school term.

However, Extended Business Income does not apply to loss of "Business Income" sustained or Extra Expense sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

4. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense is modified as follows for this endorsement only:

1. Business Income From Dependent Properties

- a. For Business Income From Dependent Properties only, b. Business Income and Extra Expense, Paragraph (1)** is deleted in its entirety and replaced by the following:

(1) Business Income

We will pay for the actual loss of "Business Income" you sustain due to the necessary suspension of your "operations" during the "period of restoration". The suspension must be caused by direct "loss" to "dependent property" caused by or resulting from any Covered Cause of Loss.

However, coverage under this endorsement does not apply when the only direct "loss" to "dependent property" is direct "loss" to "electronic data", including destruction or corruption of "electronic data". If the "dependent property" sustains direct "loss" to "electronic data"

and other property, coverage under this endorsement will not continue once the other property is repaired, rebuilt, or replaced.

b. Limit of Insurance for Dependent Properties

The most we will pay for loss in any one occurrence is the **Business Income From Dependent Properties** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Limit of Insurance is included within, and is not in addition to, the Limit of Insurance for the "Business Income" and Extra Expense Coverage Extension.

c. Loss Determination for Dependent Properties

For the purposes of this endorsement only, the following is added:

Resumption of Operations

We will reduce the amount of your:

- (1)** "Business Income" "loss", other than Extra Expense, to the extent you can resume "operations", in whole or in part, by using any other available
 - (a)** Source of materials; or
 - (b)** Outlet for your products.
- (2)** Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

d. Definitions

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

- (1)** "Dependent Property" means property operated by others whom you depend on to:
 - (a)** Deliver materials or services to you, or to

others for your account (Contributing Locations). But any property which delivers the following services is not a Contributing Location with respect to such services:

- 1) Water Supply Services;
- 2) Power Supply Services; or
- 3) Communication Supply Services, including services relating to internet access or access to any electronic network;

- (b) Accept your products or services;
- (c) Manufacture products for delivery to your customers under contract of sale; or
- (d) Attract customers to your business.

- (2) The "Period of Restoration" Definition, with respect to "dependent property", is replaced by the following:

"Period of Restoration" means the period of time that:

- (a) Begins 24 hours after the time of direct "loss" caused by or resulting from any Covered Cause of Loss at the "premises" of the "dependent property"; and
- (b) Ends on the date when the property at the "premises" of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality.

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

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

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

2. Interruption of Computer Operations

- a. For **Interruption of Computer Operations** only, all references to \$2,500 in **b. Business Income and Extra Expense**, Paragraph (7)(c) are deleted and replaced with the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

- b. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS, 19.** "Suspension" is amended as follows:

With respect to a suspension of "operations" caused only by an interruption in computer operations due to the destruction or corruption of "electronic data" as described in **SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**, Paragraph a. of Definition 11. "Period of Restoration" is deleted and replaced by the following:

- a. Begins 24 hours after the time of direct "loss".

3. The last paragraph of **b. Business Income and Extra Expense, (2) Interruption of Computer Operations, (c)** is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence is the **Business Income and Extra Expense** Limit of Insurance as indicated in the Educational Institutions Schedule of Coverage Limits.

I. Contract Penalties

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Contract Penalties

We will pay for written contract penalties you are required to pay due to your failure to provide your product or service as a direct result of "loss" from a Covered Cause of Loss to "stock" when "stock" is Covered Property under this Coverage Part.

The most we will pay for all penalties in any one "coverage term" is the **Contract Penalties** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. The Limit of Insurance provided by this Coverage Extension does not apply per location.

J. Covered Property - Building

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property, a. Building;** Items (2) and (3) are deleted in their entirety and replaced by the following:

- (2) Fixtures, including outdoor fixtures, exterior lighting fixtures or poles (whether free standing or attached to the building) and yard fixtures;
- (3) Permanently installed furniture, machinery and equipment, including:
 - (a) Organs and operating motors;
 - (b) Fixed pews, seats and desks, fixed tables, railings, altars, pulpits, lecterns, baptismal fonts, clocks, bells, sound and communication equipment and fire curtains;
 - (c) Glass, including stained glass windows;
 - (d) Signs attached to a covered building or structure;
 - (e) Awnings and canopies that are attached to a covered building.

K. Covered Property - Business Personal Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property;** Items (1), (2) and (4) are deleted in their entirety and replaced by the following:

- (1) Furniture not permanently installed;
- (2) Machinery and equipment not permanently installed;
- (4) All other personal property owned by you other than buildings;

L. Debris Removal

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, b. Debris Removal** is deleted in its entirety and replaced by the following:

b. Debris Removal

We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the "coverage term". The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct "loss". This Additional Coverage does not apply to costs to:

- (a) Extract "pollutants" from land or water; or
- (b) Remove, restore or replace polluted land or water.

The most we will pay for the total of direct "loss" plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained direct "loss". 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 "loss" to the Covered Property that has sustained direct "loss".

We will pay up to the Limit of Insurance indicated in the Educational Institutions Schedule of Limits for debris removal expense in any one occurrence of direct "loss" 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 "loss" exceeds the Limit of Insurance on the Covered Property that has sustained direct "loss".
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct "loss" to the Covered Property that has sustained direct "loss".

Therefore, our total payment for direct "loss" and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained direct "loss", plus the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. This Limit of Insurance in the Educational Institutions Schedule of Coverage Limits does not apply per location.

M. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

When direct "loss" to Covered Property only involves the following coverage extensions; **C. Athletic and Band Uniforms Athletic Equipment, Theater Costumes, Props and Scenery, D. Audio Visual Equipment and Cameras, U. Fine Arts, DD. Musical Instruments and QQ. Signs**, the Deductible for that direct "loss" will be the lesser of:

1. \$500; or
2. The Deductible shown in the Commercial Property Coverage Part Declarations for that Covered Property.

N. Electronic Vandalism

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Electronic Vandalism

1. Electronic Vandalism - Direct Damage

We will pay for direct "loss" resulting from "electronic vandalism" to property consisting of your:

- a. Covered "computer system"; and
- b. Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs used in processing units,

at the "premises".

2. Electronic Vandalism - Interruption of Computer Operations

SECTION A. COVERAGE 5. Coverage Extensions, b. Business Income and Extra Expense, (7) Interruption of Computer Operations is deleted in its entirety and replaced by the following:

(7) Electronic Vandalism - Interruption of Computer Operations

- (a) Subject to all provisions of this Coverage Extension, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations at the described "premises" due to "electronic vandalism" originating anywhere in the world.
 - (b) Paragraph (7)(a) does not apply even if the amount of insurance stated in Paragraph (7)(c) has not been exhausted.
 - (c) The most we will pay under Paragraph (7) of this Coverage Extension is the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for all "Business Income" and Extra Expense sustained in the "coverage term", regardless of the number of interruptions or the number of "premises" or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not carry over to the next "coverage term". With respect to an interruption that begins in a "coverage term" and continues or results in additional "loss" or expense in a subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.
- ##### 3. Special Electronic Vandalism Exclusions
- SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended to include the following:
- a. Loss of proprietary use of any "electronic data" or "proprietary programs" that have been copied, scanned, or altered;
 - b. Loss of or reduction in economic or market value of any "electronic data" or "proprietary programs" that

have been copied, scanned, or altered; and

- c. Theft from your "electronic data" or "proprietary programs" of confidential information through the observation of the "electronic data" or "proprietary programs" by accessing covered "computer systems" without any alteration or other direct "loss" to the records or programs. Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets.

4. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS is amended to include the following:

- a. "Computer system" means a configuration of "hardware" and "electronic data", including "telecommunications equipment" which may be integrated into or connected to such "hardware", purposely designed to perform particular function or functions.
- b. "Computer virus" means the introduction into your "computer system" or your Web site of any malicious, self-replicating "electronic data" processing code or other code and that is intended to result in, but is not limited to:
 - (1) Deletion, destruction, generation, or modification of your "computer system";
 - (2) Alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of your "computer system";
 - (3) Damage, destruction, inadequacy, malfunction, degradation, or corruption of your "computer system"; or
 - (4) Denial of access to or denial of services from your "computer system" or Web site including related "electronic data".
- c. "Denial of service attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the internet.

- d. "Electronic Vandalism" means "unauthorized use", "computer virus" or a "denial of service attack." "Electronic vandalism" does not include the "theft" of any property or services.

- e. "Hardware" means an assemblage of electronic machine components capable of accepting and processing "electronic data" for the purpose of producing desired results. However, "hardware" does not include "telecommunications equipment".

- f. "Proprietary programs" means proprietary operating programs and applications that you developed or that you had developed specifically for use in your "operations" and that are:

- (1) Stored in "electronic data"; or
- (2) Installed and stored in "hardware".

- g. "Telecommunications equipment" means telephones, including any related switching systems or similar equipment, fax machines and other similar equipment used to transmit voice or "electronic data" communications over telephone lines, data lines or air waves. However, "telecommunications equipment" does not include "hardware".

- h. "Unauthorized Use" means

- (1) Illegal or malicious entry into your "computer system" by a person not authorized to do so by you which results in the distortion or corruption of such "computer system"; or
- (2) Entry into or use of your "computer system" by a party:
 - (a) Not authorized by you to do so; or
 - (b) Authorized by you to do so, but who does so to use it in an unauthorized manner,

Which results in the distortion or corruption of your "computer system".

The most we will pay for all loss from both **Electronic Vandalism - Direct Damage** and **Electronic Vandalism - Interruption of Computer Operations** is the **Electronic Vandalism** Limit of Insurance indi-

cated in the Educational Institutions schedule of Coverage Limits in any one occurrence.

O. Electronic Data Processing Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Electronic Data Processing Property

(1) Covered Property

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to Electronic Data Processing Property consisting of your:

- (a) Data processing equipment;
- (b) Air conditioning and other electrical equipment, used exclusively with your data processing equipment;
- (c) Programming documentation and instruction manuals;
- (d) "Electronic data", but only as excess over what is valid and collectible under **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data**;
- (e) Media, meaning materials on which "electronic data" is recorded, such as magnetic tapes, disc packs, paper tapes and cards, floppy discs and compact discs used in processing units; and
- (f) Property of others in your care, custody or control that is similar to property described in **1.a.** through **e.** above.

(2) Property Not Covered

This Coverage Extension does not apply to:

- (a) Accounts, records, documents and other "valuable papers and records" unless they are programming documentation or instruction manuals.

However, we will cover these items once they are converted to "electronic data" form.

- (b) "Electronic data" or media that cannot be replaced with similar property of equal quality.

- (c) Your property that you have rented or leased to someone else and that property is not at your "premises".
- (d) Any machine or apparatus that is used for research, medical, diagnostic, surgical, dental or pathological purposes.
- (e) "Production equipment".

(3) Exclusions

- (a) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- 1) **Exclusion (1)(c) Governmental Action**;
- 2) **Exclusion (1)(d) Nuclear Hazard**;
- 3) **Exclusion (1)(f) War and Military Action**;
- 4) **Exclusion (2)(b) Delay or Loss of Use**;
- 5) **Exclusion (2)(d) Miscellaneous Causes of Loss, 1) Wear and tear**;
- 6) **Exclusion (2)(h) Dishonest or Criminal Acts**;
- 7) **Exclusion (3)(b) Acts or Decisions**; and
- 8) **Exclusion (3)(c) Defects, Errors and Omissions**.

- (b) In addition to Paragraph **O.3.a.** of this Coverage Extension, we will not pay for the following:

Hidden or latent defect, gradual deterioration, and depreciation. However, if direct "loss" by a Covered Cause of Loss results, we will pay for that resulting direct "loss".

(4) Duplicate and Backup "Electronic Data"

We will pay for direct "loss" resulting from any of the Covered Causes of Loss to duplicate and backup "electronic data" that you store at a "premises" not described in the Declarations providing such "electronic data" is not covered by another policy. The most we will pay for "loss" in any one occurrence is the Limit of Insurance indicated in the Educational

Institutions Schedule of Coverage Limits in any one occurrence.

(5) Electronic Data Processing Property Valuation

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

7. Valuation of Electronic Data Processing Property

In the event of direct "loss", we will determine the value of Covered Property as described in Paragraph **O.1.** of this Coverage Extension as follows:

a. Except for "electronic data"

- (1)** If you repair or replace this Electronic Data Processing property within a reasonable time following the direct "loss", the property will be valued at the full cost of repair or replacement.

However, the most we will pay is the least of the following:

- (a)** The actual cost to repair or restore the property with materials of like kind and quality;
 - (b)** The cost of replacing that property with property of similar quality and function;
 - (c)** The amount you actually and necessarily spend to repair or replace the property; or
 - (d)** The Limit of Insurance applicable to the property.
- (2)** If you do not repair or replace this Electronic Data Processing Property within a reasonable time following a direct "loss", the most we will pay will be the least of the following:
- (a)** "Actual cash value" of the property;
 - (b)** "Actual cash value" of repairs with material of

like kind and quality; or

- (c)** The Limit of Insurance applicable to the property.

We reserve the right to repair or replace the property or to pay for the property in money.

In the event of direct "loss", the value of property will be determined at the time of direct "loss".

b. For "electronic data"

We will not pay more than the actual reproduction costs of your "electronic data". If you do not replace or reproduce your "electronic data" following the direct "loss", the most we will pay is the cost of blank media as described in Paragraph **O.(1)(e)** of this Coverage Extension.

(6) Electronic Data Processing Property Additional Definition

For this Coverage Extension only, the following definition is added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**:

"Production equipment" means any machinery and related components, including any integrated or dedicated computer system, which is used, or can be used, to produce or process other tangible property.

The most we will pay for loss under **Electronic Data Processing Property** is the Business Personal Property Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** in any one occurrence. This does not act to increase the limit of insurance applicable to the damaged property.

P. Emergency Vacating Expenses

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Emergency Vacating Expenses

We will pay your actual and reasonable expenses to temporarily vacate the "premises", if vacating:

1. Is necessary to prevent additional physical injury or threatened physical injury to persons on "premises"; or
2. Is required by civil authority.

The **Emergency Vacating Expenses** only applies if there is actual or threatened direct "loss" to Covered Property by a Covered Cause of Loss.

The most we will pay for "loss" in any one occurrence is the **Emergency Vacating Expenses** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

Q. Employee Personal Effects

For this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, I. Personal Effects** is deleted in its entirety and replaced by the following:

Employee Personal Effects

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to employee personal effects.

1. Employee personal effects means: personal effects owned by you, your officers, or your partners, or if you are a limited liability company, your members or your managers, or your employees (including temporary and leased employees) and used exclusively by the individual owner for their own personal use or while used in your business "operations".
2. Personal effects include personally owned items such as laptops, cell phones and tools.
3. This coverage does not apply at a place of residence.
4. If theft is included as a Covered Cause of Loss under this Coverage Part, then this Coverage Extension has a \$1,000 per occurrence limitation for direct "loss" by theft.

The most we will pay for all "loss" in any one occurrence to **Employee Personal Effects** is the Limit of Insurance indicated in the Educational Institutions Schedule of Limits. We will not pay more than the \$25,000 for "loss" to employee personal effects belonging to any one employee in any one occurrence regard-

less of the number or types of personal effects lost or damaged.

R. Excess Limit Coverage

1. This Coverage Extension applies to the following coverages in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE:**

- a. Buildings (**1. Covered Property, a. Building**),
- b. Business Personal Property (**1. Covered Property, d. Business Personal Property**),
- c. Debris Removal (**4. Additional Coverages, b. Debris Removal**),
- d. Accounts Receivable (**5. Coverage Extensions, a. Accounts Receivable**),
- e. Outdoor Property (**5. Coverage Extensions, k. Outdoor Property**),

and to **Employee Personal Effects, Peak Season** and **Fine Arts** as described in this endorsement.

2. If covered "loss" exceeds the Limit of Insurance for one or more of the items listed in Paragraph **I.** of this Coverage Extension, we will pay for such excess loss as described in Paragraph **3.** of this Coverage Extension.
3. Regardless of the number of items incurring direct "loss", the most we will pay in any one occurrence for the Excess Limit Coverage is the lesser of:
 - a. 25% of the sum of the Limits of Insurance at scheduled "premises" for Buildings and Business Personal Property; or
 - b. \$500,000.

This Coverage Extension does not apply per location.
4. If the Excess Limit Coverage is used for Outdoor Property, the \$10,000 limitation for any one tree, plant, or shrub still applies.
5. The Excess Limit Coverage cannot be used:
 - a. To reimburse any deductible; or
 - b. For any building or business personal property that, at the inception date of the policy or most recent renewal period, does not satisfy **SECTION E. ADDITIONAL CONDITIONS, 1. Coinsurance.**

S. Exhibitions, Fairs or Trade Shows

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, e. Exhibitions, Fairs or Trade Shows** is deleted in its entirety and replaced by the following:

e. Exhibitions, Fairs or Trade Shows

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including covered property of others, while on temporary public display, or while it is located at fairs, exhibitions, expositions or trade shows.
- (2) This Coverage Extension does not apply:
 - (a) While Covered Property is in transit to or from these temporary sites; or
 - (b) To property insured by any other coverage under this Coverage Part.

The most we will pay for "loss" in any one occurrence is the **Exhibitions, Fairs, or Trade Shows** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

T. Fences

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, f. Fences** is deleted in its entirety and replaced by the following:

f. Fences

If Buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to outdoor fences for which a Limit of Insurance is not shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** that are located within 2,000 feet of the "premises".

The most we will pay for "loss" in any one occurrence under **Fences** is the Building Limit of Insurance applicable to the Covered Property stated in the Commercial Property Coverage Part Declarations. This does not act to increase the limit of insurance applicable to the damaged property.

U. Fine Arts

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Fine Arts

1. We will pay for direct "loss" caused by a Covered Cause of Loss to paintings, etchings, pictures, tapestries, art glass windows and rare glass, valuable rugs, bronzes, marbles, porcelains, antique furniture and silver, rare silver, and other bona fide works of art of rarity, historical value, or artistic merit, including similar property of others on loan to you for exhibition.
2. For this Coverage Extension only, the following exclusions in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** are deleted:
 - (a) Exclusion (1)(b) **Earth Movement**; and
 - (b) Exclusion (1)(g) **Water**.
3. For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 7. Valuation** is deleted in its entirety and replaced by the following:

We will determine the value of Covered Property in the event of "loss" as the market value at the time of "loss".

The most we will pay for "loss" in any one occurrence is the **Fine Arts** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits regardless of the number or types of fine arts damaged. We will not pay more than \$10,000 for any one item.

V. Fire Department Service Charge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, c. Fire Department Service Charge** is deleted in its entirety and replaced by the following:

Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, the most we will pay for direct "loss" is the **Fire Department Service Charge** Limit of Insurance indicated in the

Educational Institutions Schedule of Coverage Limits in any one occurrence for your liability, which is determined prior to direct "loss", for fire department service charges:

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

This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

W. Fire Protection Equipment Recharge

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, d. Fire Protection Equipment Recharge** is amended as follows:

The last paragraph is deleted in its entirety and replaced by the following:

The most we will pay under **Fire Protection Equipment Recharge** is the actual cost you incur in any one occurrence to recharge your automatic fire suppression system or portable fire extinguishers. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

X. Fundraising Event Cancellation Business Income

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A, 5. Coverage Extensions, b. Business Income and Extra Expense** is amended to include the following:

Fundraising Event Cancellation Business Income

We will pay for the actual loss of "Business Income" and Extra Expense you sustain due to the necessary cancellation of a scheduled fundraising event as a result of direct "loss" at the "premises" caused by or resulting from a Covered Cause of Loss.

This Coverage Extension will only apply if the fundraising event is not rescheduled within 120 days of the originally scheduled date.

The most we will pay for loss in any one occurrence is the **Fundraising Event Cancellation Business Income** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. The Limit of Insurance provided by this Coverage Extension does not apply per location.

Y. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, g. Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage**, Paragraph (3) is deleted in its entirety and replaced by the following:

- (3) The coverage described under **g.(2)** of this Coverage Extension is limited to the **Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. Regardless of the number of claims, this limit is the most we will pay for the total of all direct "loss" arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of direct "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of the **Fungi, Wet Rot, Dry Rot, and Bacteria - Limited Coverage** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a subsequent "coverage term".

Z. Harvested Crops

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Harvested Crops

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to grain, hay, straw, fruits, vegetables and other crops which have been harvested and are stored at your "premises".

The most we will pay for "loss" in any one occurrence is the **Harvested Crops** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage Extension does not apply per location.

AA. Inflation Guard

For the purposes of this endorsement only, the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** is amended to show "4%" in the **OPTIONAL COVERAGES - Inflation Guard** column for each scheduled Building Property. If an Inflation Guard percentage is already indicated on the **COMMERCIAL PROPERTY COVERAGE PART**

DECLARATIONS for that Building property, this 4% is excess of that Inflation Guard percentage for that Building property.

BB. Inventory or Appraisal

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, e. Inventory or Appraisal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Inventory or Appraisal** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

CC. Key and Lock Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGES, 4. Additional Coverage, f. Key and Lock Expense** is deleted in its entirety and replaced by the following:

f. Key and Lock Expense

- (1) If a key or master key to a building or structure covered by this Coverage Part is lost, stolen, damaged or otherwise compromised, we will pay for the lesser of the cost to:
 - (a) Re-key the lock;
 - (b) Install a new lock cylinder;
 - (c) Provide new master key; or
 - (d) Replace the existing lock with a new lock of like kind and quality.

The most we will pay for loss in any one occurrence is the **Key and Lock Expense** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

DD. Musical Instruments

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Musical Instruments

If Business Personal Property is a Covered Cause of Loss in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to musical instruments and related equipment and accessories that are your property or the property of others that is in your care, custody or control while:

- (1) At the "premises"; or
- (2) Away from the "premises" if it is temporarily at a location you do not own, lease, or operate.

This Coverage Extension does not apply to musical instruments and related equipment and accessories at exhibitions or fairs or in transit.

This Coverage Extension does not apply to "loss" by mysterious disappearance.

For this Coverage Extension only, the following exclusion in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is deleted:

(1) Exclusions (1)(g) Water.

The most we will pay for direct "loss" is the **Musical Instruments** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. This Coverage Extension does not apply per location.

EE. Newly Purchased, Leased or Constructed Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Newly Purchased, Leased or Constructed Property** is amended as follows:

(1) Buildings

The last paragraph in this section is deleted in its entirety and replaced by the following:

The most we will pay for direct "loss" under Item **(1)(a)** of this Coverage Extension is \$1,000,000 for each building. The most we will pay for direct "loss" under Item **(1)(b)** of this Coverage Extension is \$2,000,000 for each building.

(2) Business Personal Property

The last paragraph in this section is deleted in its entirety and replaced by the following:

The most we will pay for direct "loss" to your Business Personal Property under

this Coverage Extension is \$1,000,000 at each building.

Item **(3)** under this Coverage Extension is deleted in its entirety and replaced by the following:

(3) Coverage provided under this Coverage Extension will end when any of the following first occurs:

- (a)** This policy expires.
- (b)** For buildings described in Paragraph **(1)(a)** of this Coverage Extension, 180 days from the date you begin construction on that part of the building that would qualify as Covered Property; or
- (c)** For business property described in Paragraph **(1)(b)** and Paragraph **(2)(a)1**, 180 days after your purchase or lease;
- (d)** For business personal property described in Paragraph **(2)(a)2**, 90 days from the effective date of the lease of the building space in the building; or
- (e)** You report values to us; or
- (f)** The property is specifically insured on this policy or elsewhere.

We will charge you additional premium for values reported from the date you lease or purchase the property, or begin construction on that part of the building that would qualify as Covered Property.

FF. Ordinance or Law

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for loss in any one occurrence under Paragraph **(a) Loss of Use of Undamaged Parts of the Building** is the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered building or structure sustaining "loss". This Coverage is included within, and not in addition to, that applicable Limit of Insurance.

The most we will pay for all loss in any one occurrence under Paragraph **(b) Demolition Costs** and Paragraph **(c) Increased Costs of Construction** is the Blanket Coverage Limit shown in the Educational Institutions

Schedule of Coverage Limits of this endorsement per building or structure sustaining "loss". This is an additional Limit of Insurance applicable to the building or structure sustaining "loss".

GG. Outdoor Property

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, k. Outdoor Property**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Outdoor Property** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits, but not more than \$10,000 for any one tree, shrub, or plant.

HH. Paved Surfaces

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages**, is amended to include the following:

Paved Surfaces

- (1)** We will pay for direct "loss" caused by a Covered Cause of Loss to bridges, roadways, walks, patios or other paved surfaces at a Building "premises" scheduled on the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.
- (2)** For this Additional Coverage only, **SECTION A. COVERAGE, 2. Property Not Covered, i. Paved Surfaces** is deleted and replaced by the following:

i. Paved Surfaces

Bridges, roadways, walks, patios or other paved surfaces; except as provided in **SECTION A. COVERAGE, 4. Additional Coverages**.

- (3)** The most we will pay for "loss" under **Paved Surfaces** is the Building Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** in any one occurrence. This does not act to increase the limit of insurance applicable to the damaged property.

II. Peak Season

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

AGE, 5. Coverage Extensions is amended to include the following:

Peak Season

- (1) In the event that the limit of insurance stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property is insufficient to fully insure a covered "loss" due to a Peak Season Demand for your inventory, you may apply the Excess Limit Coverage as provided in Item **R.** of this endorsement to that "loss".
- (2) Peak Season Demand means a temporary (90 consecutive days or less) increase in your inventory to meet a seasonal demand as verified by:
 - (a) Your previous inventory records for that historical period of time; and
 - (b) Custom and practice in your industry.

JJ. Pollutant Clean Up and Removal

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, h. Pollutant Clean Up and Removal**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for each "premises" during each "coverage term" is the **Pollutant Clean Up and Removal** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This limit includes the sum of all covered expenses arising out of Covered Causes of Loss. This is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

KK. Premises Boundary Increase

For the purposes of this endorsement only, any reference to 1,000 feet in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**,

1. **SECTION A. COVERAGE, 1. Covered Property, a. Building, (5)(b);**
2. **SECTION A. COVERAGE, 1. Covered Property, b. Outdoor Signs;**
3. **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property;**
4. **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (2) Limitations - Various Property for Specified Causes, (b), 1);**

5. **SECTION A. COVERAGE, 5. Coverage Extensions;**

6. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (1) Business Income;**

7. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (4) Alterations and New Buildings, (c); or**

is increased to 2,000 feet.

LL. Preservation of Property

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, i. Preservation of Property**, Item **i.(2)** is deleted in its entirety and replaced by the following:

- (2) Only if the direct "loss" occurs within the amount of days indicated in the Educational Institutions Schedule of Coverage Limits after the property is first moved.

MM. Property Off Premises

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, m. Property Off Premises** is deleted in its entirety and replaced by the following:

m. Property Off Premises

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Personal Property, including covered personal property of others, while it is away from the "premises" if it is:
 - (a) Temporarily at a location you do not own, lease, or operate; or
 - (b) In storage at a location you lease, provided the lease was executed for the first time after the beginning of the current "coverage term".
- (2) This Coverage Extension does not apply to Covered Property at exhibitions or fairs or in transit.
- (3) This Coverage Extension does not apply to laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories.

The most we will pay for "loss" is the **Property Off Premises** Limit of Insurance indicated in the Educational Institu-

tions Schedule of Coverage Limits in any one occurrence.

The Limit of Insurance provided by this Coverage Extension does not apply per location.

NN. Prototypes

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Prototypes

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss, to "prototypes" related to your "research and development operations" that:
 - (a) You own; or
 - (b) Are owned by others and in your care, custody or control;
 while at a described "premises".
- (2) We will not pay for "loss" to "prototypes" until you actually replicate such property. Repairs or replication must be made as soon as reasonably possible after the "loss" but in no event later than two years after the "loss" or damage unless we grant an extension in writing prior to the expiration of the two year period.
- (3) This coverage is included within the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** as applicable to the covered Business Personal Property. This does not increase the Limit of Insurance.

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. Definitions** is amended to include the following:

"Prototype" means an original version of a newly designed product that is an outcome of your "research and development operations". A "prototype" includes sample designs, experimental models or displays that are associated with or integral to the manufacture of the original version of a newly designed product.

"Research and development operations" means your business activities that are directly related to the development of new products or the enhancement of existing products.

OO. Research and Development Documentation

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Research and Development Documentation

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss, to "research and development documentation" that you own or that is in your care, custody or control at a described "premises".
- (2) For this Coverage Extension only, the following exclusions in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** do not apply, except for:
 - (a) Exclusion (1)(c) Governmental Action;
 - (b) Exclusion (1)(d) Nuclear Hazard;
 - (c) Exclusion (1)(f) War and Military Action;
 - (d) Exclusion (1)(h) Dishonest or Criminal Acts;
 - (e) Exclusion (1)(i) Voluntary Parting under False Pretense; and
 - (f) Paragraph (3)
- (3) This Coverage Extension does not apply to loss or damage caused by or resulting from:
 - (a) Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
 - 1) Programming errors or faulty machine instructions; or
 - 2) Faulty installation or maintenance of data processing equipment or component parts.
 - (b) Errors or omissions in processing or copying. But if errors or omissions in processing or copying results in fire or explosion, we will pay for the direct loss or damage caused by the fire or explosion;
 - (c) Erasure of "research and development documentation"; or
 - (d) Unauthorized instructions to transfer property to any person or place.

- (4) Coverage provided by this Extension does not apply to "research and development documentation" which exist as "electronic data".
- (5) We will not pay for direct "loss" to "research and development documentation" until you actually replicate such documentation. Repairs or replication must be made as soon as reasonably possible after the direct "loss", but in no event later than two years after the loss or damage unless we grant an extension in writing prior to the expiration of the two-year period.
- (6) We will not pay for direct "loss" to "research and development documentation" applicable to:
 - (a) Products that are obsolete;
 - (b) Existing products you have withdrawn from the market; or
 - (c) Existing products you have not sold in the last twelve months prior to the "loss".
- (7) Regardless of the number of insured locations involved, the most we will pay for "loss" is the **Research and Development Documentation** Limit of Insurance indicated in the Educational Institutions schedule of Coverage Limits in any one occurrence at a "premises".

PP. Rewards

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, j. Rewards** is deleted in its entirety and replaced by the following:

j. Rewards

We will pay to provide a reward for information that leads to a conviction for arson, theft, vandalism, or burglary. The conviction must involve a covered direct "loss" caused by arson, theft, vandalism, or burglary.

The most we will pay for loss is the **Rewards** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits. This Coverage is in addition to the Limits of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**.

The deductible does not apply to this Additional Coverage.

QQ. Signs

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, n. Signs**, the second paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" is the **Signs** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence.

RR. Stamps, Tickets, and Gift Cards

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (3) Limitation - Personal Property Theft, Paragraph (d)** is deleted in its entirety and replaced by the following:

- (d) The Limit of Insurance referenced in the Educational Institutions Commercial Property Endorsement Schedule of Coverage Limits for stamps, tickets, including lottery tickets held for sale, gift cards held for sale, and letters of credit.

The most we will pay for "loss" in any one occurrence for Item (d) is the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

SS. Students Personal Effects

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, i. Personal Effects** is deleted in its entirety and replaced by the following:

Students Personal Effects

If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to personal effects owned by your students at your "premises". This coverage does not apply to direct "loss" by theft or mysterious disappearance.

The most we will pay for "loss" is the **Students Personal Effects** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. We will not pay more than \$5,000 for "loss" to student personal effects belonging to any one student in any one occurrence regardless of the number or types of personal effects lost or damaged.

TT. Temperature Change

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Temperature Change

(1) Coverage

- (a) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 1. Covered Property** is deleted in its entirety and replaced by the following:

Covered Property means "perishable stock" located in a building at a "premises".

- (b) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 2. Property Not Covered** is deleted in its entirety and replaced by the following:

2. Property Not Covered

Covered Property does not include:

"Perishable Stock" Not in Buildings

This coverage extension does not apply to "perishable stock" located on buildings, in or on vehicles, or otherwise in the open.

(2) Covered Causes of Loss

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, a. Covered Causes of Loss** is deleted in its entirety and replaced by the following:

(a) Covered Causes of Loss

Covered Causes of Loss means direct "loss" from "temperature change" to "perishable stock" unless direct "loss" is:

- (1) Excluded in **SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions**; or
- (2) Limited in **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations**.

(3) Excluded Causes of Loss

- a. For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** does not apply except as follows:

- (1) **Exclusion (1)(b) Earth Movement**;
- (2) **Exclusion (1)(c) Governmental Action**;
- (3) **Exclusion (1)(d) Nuclear Hazard**;
- (4) **Exclusion (1)(f) War and Military Action**;
- (5) **Exclusion (1)(g) Water**; or
- (6) **Exclusion (1)(h) "Fungi", Wet Rot, Dry Rot, and Bacteria**.

- b. In addition to Paragraph 3.a. of this Coverage Extension, we will not pay for direct "loss" caused by or resulting from any of the following:

- (1) The disconnecting of any heating, refrigerating, cooling or humidity control system from the source of its power;
- (2) The deactivation of electrical power caused by the manipulation of any switch or other device (on "premises") 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 "premises" to provide sufficient power due to the lack of generating capacity to meet demand; or
- (5) Breaking of any glass that is a permanent part of any heating, refrigeration, cooling or humidity control unit.

(4) Limits of Insurance

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION B.**

LIMITS OF INSURANCE is deleted in its entirety and replaced by the following:

SECTION B. LIMITS OF INSURANCE

- a. The most we will pay for all loss in any one occurrence including any applicable "Business Income" and Extra Expense is the **Temperature Change** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.
- b. The **Temperature Change** Limit of Insurance is not an additional amount of insurance and will not increase the Limit of Insurance shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** for Business Personal Property or "stock".

(5) Duties in the Event of Loss

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties in the Event of Loss or Damage, a.(2)** is deleted in its entirety and replaced by the following:

- (2) All claims under this "**Temperature Change**" Coverage Extension should be reported immediately upon occurrence. Include a description of the damaged "stock". All damaged "stock" must be available for inspection and verification.

(6) Definitions

For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following definitions:

- 1. "Perishable stock" means personal property:
 - a. Preserved and maintained under controlled conditions; and
 - b. Susceptible to direct "loss" if the controlled conditions change.
- 2. "Temperature change" means:
 - a. The fluctuation or total interruption of electrical power, either on or off "premises", resulting from conditions beyond your control.
 - b. Mechanical breakdown of any refrigerating or cooling apparatus or equipment (on "prem-

ises") including the blowing of any fuse, fuses, or circuit breakers.

- c. Contamination by refrigerant.
- d. The freezing of "perishable stock" resulting from the faulty operation of any stationary heating plant, when such "perishable stock" is contained within a building at the "premises".

UU. Trailers (Nonowned Detached)

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, o. Trailers (Nonowned Detached)**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Trailers (Nonowned Detached)** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

VV. Transportation

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extension, p. Transportation** is amended by replacing the second paragraph with the following:

The most we will pay for "loss" in any one occurrence is the **Transportation** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

WW. Underground Property

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Underground Property

- (1) We will pay for direct "loss" caused by a Covered Cause of Loss to the following types of your Covered Property:
 - (a) Foundations of covered buildings, structures, machinery or boilers, if their foundations are below the lowest basement floor or the surface of the ground if there is no basement; and
 - (b) Underground pipes, flues or drains if they are attached to Covered Property.

- (2) For this Coverage Extension only, **SECTION A. COVERAGE, 2. Property Not Covered, g. Foundations** is deleted in its entirety and replaced by the following:

g. Foundations

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;

except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

- (3) For this Coverage Extension only, **SECTION A. COVERAGE, 2. Property Not Covered, n. Underground Pipes, Flues or Drains** is deleted in its entirety and replaced by the following:

n. Underground Pipes, Flues or Drains

Underground pipes, flues or drains, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions**.

- (4) The most we will pay for "loss" in any one occurrence under **Underground Property** is the Building Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**. This does not act to increase the limit of insurance applicable to the damaged property.

XX. Unintentional Error in Description

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended to include the following:

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

YY. Unnamed Locations

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Unnamed Locations

- (1) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to your property or property of others that is in your care, custody or control but is not at a "premises", but located within the Coverage Territory.

(2) Special Unnamed Locations Exclusions

This Coverage Extension does not apply to:

- (a) "Loss" caused directly or indirectly by flood or earthquake, even when these Causes of Loss are added to this policy by endorsement.
- (b) "Loss" covered under the following Additional Coverages or Extensions:
 - (i) Exhibitions, Fairs or Trade Shows;
 - (ii) Property Off Premises; or
 - (iii) Transportation
- (c) Any property that is covered under this Coverage Part or policy, or any other policy, whether collectible or not.

- (3) The most we will pay for "loss" is the **Unnamed Locations** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence, regardless of the number of unnamed locations.

ZZ. Unscheduled Appurtenant Buildings, Structures and Equipment

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended by adding the following:

Unscheduled Appurtenant Buildings, Structures and Equipment

- (1) If Buildings are Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to your unscheduled appurtenant buildings, structures and equipment.

Unscheduled appurtenant buildings, structures and equipment include:

- (a) Baseball dugouts;
- (b) Bleachers and grandstands;
- (c) Flagpoles, light poles;

- (d) Picnic pavilions;
- (e) Playground equipment;
- (f) Press boxes;
- (g) Refreshment stands;
- (h) Scoreboards;
- (i) Storage buildings; and
- (j) Ticket booths.

The most we will pay for "loss" under **Unscheduled Appurtenant Buildings, Structures and Equipment** is the Building Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** including debris removal expense, in any one occurrence. This Coverage Extension does not apply per location.

- (2) If Business Personal Property is Covered Property in this Coverage Part, we will pay for direct "loss" caused by a Covered Cause of Loss to business personal property while in any unscheduled building or structure covered under this Coverage Extension. This coverage does not apply to direct "loss" by theft or mysterious disappearance.

The most we will pay for "loss" for the described unscheduled contents under **Unscheduled Appurtenant Buildings, Structures and Equipment** is the Business Personal Property Limit of Insurance applicable to the Covered Property stated in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS** in any one occurrence. This Coverage Extension does not apply per location.

AAA. Utility Services

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, q. Utility Services** is deleted in its entirety and replaced by the following:

q. Utility Services

We will pay for:

- (1) Direct "loss" to Covered Property at your "premises" except for direct "loss" resulting from the partial or complete failure of Wastewater Removal Services; and
- (2) Loss of "Business Income" and Extra Expense you sustain including the insurance provided in **SECTION A. COVERAGE, 5. Coverage Ex-**

tensions, b. Business Income and Extra Expense

caused by or resulting from the partial or complete failure of the utility services to the "premises".

The partial or complete failure of the utility services listed below must be caused by direct "loss" caused by a Covered Cause of Loss to the following property:

- (1) Power Supply Services, meaning the following types of property supplying electricity, steam or natural gas to the "premises":
 - (a) Utility generating plants;
 - (b) Switching stations;
 - (c) Substations;
 - (d) Transformers; and
 - (e) Transmission, distribution, service, or similar lines, including all such overhead lines of any type.
- (2) Water Supply Services, meaning the following types of property supplying water to the "premises":
 - (a) Pumping stations; and
 - (b) Water mains.
- (3) Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the "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 Coverage Extension does not apply to interruption in service caused by or resulting from a discharge of water or sewage due to heavy rainfall or flooding.
- (4) Communication Supply Services, meaning property supplying communication services, including service relating to Internet access or access to any electronic, cellular, or satellite network; telephone, radio, microwave, or television services to the "premises", such as:
 - (a) Communication transmission, distribution, service, or similar lines, including fiber optic lines, including all such overhead lines of any type;

- (b) Coaxial cables; and
 - (c) Microwave radio relays, excluding satellites.
- (5) This Coverage Extension does not apply to direct "loss" to "electronic data", including destruction or corruption of "electronic data".
- (6) When direct "loss" from the partial or complete interruption of utility services to a "premises" is caused by direct "loss" to overhead communication transmission, distribution, service, or similar lines, including fiber optic lines, including all such overhead lines of any type:
- (a) The most we will pay for direct "loss" and loss of "Business Income" and Extra Expense is \$5,000 in any one occurrence. This Limit of Insurance is part of, not in addition to, the Limit of Insurance provided by this Coverage Extension; and
 - (b) For this Paragraph (6) only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS, 11. "Period of restoration"**, Paragraph a. is deleted in its entirety and replaced by the following:
 - a. Begins:
 - (1) 24 hours after the time of direct "loss" for "Business Income" Coverage; or
 - (2) Immediately after the time of direct "loss" for Extra Expense Coverage.

The most we will pay for "loss" in any one occurrence is the **Utility Services** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

BBB. Valuable Papers and Records

For the purposes of this endorsement only, in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, r. Valuable Papers and Records**, the last paragraph is deleted in its entirety and replaced by the following:

The most we will pay for "loss" in any one occurrence is the **Valuable Papers and Records** Limit of Insurance indicated in the Edu-

cational Institutions Schedule of Coverage Limits.

CCC. Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems

We will pay for direct "loss" to your Covered Property and loss of "Business Income" and Extra Expense caused by water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain, septic or sump pump system or related equipment.

- (1) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water, 3)** is deleted in its entirety and replaced by the following:
 - 3) Water that has entered and then backs up through and is discharged from a sewer, drain, septic or sump pump system or related equipment, except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**.
- (2) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water, 5)** is deleted in its entirety and replaced by the following:
 - 5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (g)1), 3) or 4), or material carried or otherwise moved by mudslide or mudflow as described in Paragraph (g)2), except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems**.
- (3) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended to include the following:

We will not pay for direct "loss" in any one occurrence caused by water or waterborne material that has entered and then backs up through and is discharged from a sewer, drain, septic or sump pump system or related equipment, until the amount of direct "loss" exceeds the Deductible shown in the **COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS**, or \$1,000, whichever is greater. We will then pay the amount of direct "loss" in excess of that deductible, up to the applicable limit indicated in Paragraph (4) of this extension.

- (4) The most we will pay for loss in any one occurrence is the **Water Backup Discharged from Sewers, Drains, Septic or Sump Pump Systems** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for all direct "loss", loss of "Business Income", "Rental Value", and Extra Expense.

DDD. Water Under the Ground Surface

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Water Under the Ground Surface

- (1) For this Coverage Extension only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(g) Water, 4)** is deleted in its entirety and replaced by the following:
- 4) Except as provided in **SECTION A. COVERAGE, 5. Coverage Extensions, Water Under the Ground Surface**, water under the ground surface pressing on, flowing or seeping through:
- a) Foundations, walls, floors or paved surfaces;
 - b) Basements, whether paved or not; or
 - c) Doors, windows or other openings.
- (2) We will pay for direct "loss" to your Covered Property caused by a Covered Cause of Loss from water under the ground surface pressing on, flowing or seeping through:
- (a) Foundations, walls, floors or paved surfaces;

(b) Basements, whether paved or not; or

(c) Doors, windows or other openings.

- (3) If there is a covered direct "loss" to which this Coverage Extension applies, 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 waterborne material escapes.

We will not pay the cost to repair any defect to a system or appliance from which water escapes. However, this paragraph does not apply to "Business Income" coverage or to Extra Expense coverage.

The most we will pay for loss including any applicable "Business Income" and Extra Expense in any one occurrence is the **Water Under the Ground Surface** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits.

EEE. Windblown Debris

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Windblown Debris

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property to pay the expense you incur to remove windblown debris from your "premises" that comes from premises of others and occurs during the "coverage term".

The most we will pay for direct "loss" is the **Windblown Debris** Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. **Windblown Debris** does not apply per location.

- FFF. Worldwide Laptop Coverage** For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Worldwide Laptop Coverage

We will pay for direct "loss" caused by a Covered Cause of Loss to your Covered Property, including your laptops, notebooks and similar highly portable personal computers, including their peripherals and accessories, while such specific Covered Property is:

- 1) In your or your employee's care, custody and control;

- 2) Not located at a "premises" you own or lease; and
- 3) Not located in the coverage territory stated in Paragraph 2. Of the Commercial Property Condition **H. POLICY PERIOD, COVERAGE TERRITORY**, provided that location is not under a United States Department of State trade or travel restriction at the time of direct "loss".

The most we will pay for all "loss" is the **Worldwide Laptop Coverage** Limit of

Insurance indicated in the Educational Institutions Schedule of Coverage Limits in any one occurrence. We will not pay more than the Limit of Insurance indicated in the Educational Institutions Schedule of Coverage Limits for any one item in any one occurrence. This limit is included within the other limits provided by this Electronic Data Processing Property Coverage Extension.

This **Worldwide Laptop Coverage** does not apply per location.

CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM (INCLUDING SPECIAL CAUSES OF LOSS)

The provisions of the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** 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.

SCHEDULE

Coverage	Limits of Insurance	Deductible or Waiting Period
A. Crisis Event Response Communication Expense	\$100,000	None
B. Post Crisis Event Expense	\$100,000	None
C. Crisis Event Business Income and Extra Expense	\$100,000	24 hours waiting period applies to Business Income. No waiting period applies to Extra Expense
	Annual Aggregate Limit: \$ <input checked="" type="checkbox"/> No Annual Aggregate Limit applies when this box is checked.	

A. Crisis Event Response Communication Expense

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages is amended to include the following:

Crisis Event Response Communication Expense

We will pay your "crisis event response communication expense" resulting from a "covered crisis event" at your "covered location" for sixty (60) consecutive days after a "covered crisis event" occurs. Payment of all loss covered under this Additional Coverage shall not exceed the Limit of Insurance shown in the Schedule for Coverage **A. Crisis Event Response Communication Expense**.

B. Post Crisis Event Expense

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages is amended to include the following:

Post Crisis Event Expense

We will pay your "post crisis event expense" resulting from a "covered crisis event" at your "covered location". Payment under this Additional Coverage will begin immediately after the "covered crisis event" and apply for up to sixty (60) consecutive days but will not exceed the Limit of Insurance shown in the Schedule for Coverage **B. Post Crisis Event Expense**.

C. Crisis Event Business Income and Extra Expense

BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense is amended as follows for this endorsement only:

Crisis Event Business Income and Extra Expense

For **Crisis Event Business Income and Extra Expense** only, Paragraphs (1) and (2) are deleted in their entirety and replaced by the following:

(1) Crisis Event Business Income and Extended Business Income

(a) Crisis Event Business Income

We will pay for the actual loss of "crisis event business income" you sustain due to the necessary "suspension" of your "operations" during the "crisis event period of restoration". The "suspension" must be caused by or result from a "covered crisis event" at your "covered location". This coverage will begin after the Waiting Period shown in Item **C.** of the Schedule and end the earlier of:

- 1) The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no "covered crisis event" occurred; or
- 2) Sixty (60) consecutive days after the "covered crisis event" occurred.

(b) Extended Business Income

If the necessary "suspension" of your "operations" caused by or resulting from a "covered crisis event" produces a "crisis event business income" "loss" payable under this endorsement, we will pay for the actual loss of "crisis event business income" you incur during the period that:

- 1) Begins on the date "operations" are resumed or tenability of your "covered location" is restored; and
- 2) Ends on the earlier of:
 - a) The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed had no "covered crisis event" occurred; or
 - b) The date you could restore tenant occupancy, with reasonable speed, to a level that would have generated the "rental value" that would have existed if the "covered crisis event" had not occurred; or
 - c) Thirty (30) consecutive days after the date determined in **(b)1)** above.

Crisis Event Business Income and Extended Business Income do not apply to loss of "Business Income" or loss of "rental value" incurred as a result of unfavorable business conditions caused by the impact of the "covered crisis event" in the area where the described "premises" are located.

(2) Crisis Event Extra Expense

(a) We will pay "crisis event extra expense" you incur during the "crisis event period of restoration" caused by or resulting from a "covered crisis event" to:

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

(b) We will not pay for the cost to repair or replace property.

(c) This coverage will end the earlier of:

- 1) The date your "operations" are restored to a condition similar to that which would have existed had there been no "covered crisis event"; or
- 2) Sixty (60) consecutive days after the "covered crisis event" occurs.

The most we will pay for all loss covered under the Crisis Event Business Income and Extra Expense Coverage shall not exceed the Limit of Insurance shown in the Schedule for Coverage **C. Crisis Event Business Income and Extra Expense**. The Limit of Insurance applies regardless of the number of "covered locations" affected.

D. Exclusions

1. Exclusions Deleted for Crisis Event Expense Coverage Endorsement

The following Exclusions from the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM** are deleted but only as respects to the coverage provided by this **CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT**. Otherwise, all Exclusions continue to apply to all other "loss" claimed under this policy unless specifically stated otherwise.

- a. "Fungi", Wet Rot, Dry Rot, and Bacteria
- b. Dishonest or Criminal Acts
- c. Acts or Decisions

2. Additional Exclusions Applicable to Crisis Event Expense Coverage Endorsement

In addition to any other Exclusions which apply to this policy, the following Exclusions apply only to this **CRISIS EVENT EXPENSE COVERAGE ENDORSEMENT**. We will not pay for loss caused directly or indirectly by any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

a. Any Loss Not Specifically Covered Under the Definition of Covered Crisis Event

Any loss or consequential loss that is not specifically covered under the definition of a "covered crisis event".

b. Illegal or Criminal Acts

Illegal, dishonest or criminal acts by you or any of your partners, directors, officers, trustees, employees (including leased or temporary workers), authorized representatives or if you are a limited liability company, your members or your managers:

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

c. Third Party Bodily Injury or Property Damage

Any claim or suit by a third party for bodily injury or property damage including defense costs related to bodily injury or property damage, except for those expenses which are specifically provided as a "post crisis event expense".

d. Communicable Disease or Virus

Except as provided as a "covered communicable disease" in item **H.2.b. Premises Contamination**, this endorsement does not apply to any loss directly or indirectly caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. This Exclusion applies to, but is not limited to, any loss directly or indirectly at-

tributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may cause global outbreak, or pandemic, or serious illness.

e. Fines or Penalties

Fines or penalties levied against you by a Board of Health or any other governmental authority.

f. Perpetrator

Any cost, loss or expense incurred directly or indirectly by any person, or the family or associates of such person, who directly or indirectly instigated, funded, threatened, perpetrated, participated in or otherwise supported the "covered crisis event" or who supported any activities leading to the "covered crisis event".

g. Ransom

Any cost, loss, expense or payment of ransom or reward, directly or indirectly, to actual or alleged perpetrators causing or threatening to cause a "covered crisis event".

E. Annual Aggregate Limit of Insurance

The Annual Aggregate Limit shown in the Schedule is the most we will pay under this endorsement for all covered loss sustained in the "coverage term", regardless of the number of "covered crisis events" and the number of "covered locations" involved. If a loss payment does not exhaust this amount, then the balance is available for subsequent loss sustained during the "coverage term". A balance remaining in a "coverage term" does not carry over to the next "coverage term". With respect to a "covered crisis event" which begins in the "coverage term" and continues or results in additional loss in a subsequent "coverage term", all loss is deemed to be sustained in the "coverage term" in which the "covered crisis event" began.

F. Loss Conditions

The **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS** apply to the coverages provided by this

endorsement. The following Loss Conditions are amended as described below, but only with respect to the coverages provided by this endorsement.

1. Appraisal

If we and you disagree on the amount of the Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. Each party will then select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or 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.

2. Duties in the Event of Loss

- a. In the event of a "covered crisis event" you must:

- (1) Notify law enforcement if a law may have been broken.
- (2) Notify us of any "covered crisis event" or any event that is likely to lead to a "covered crisis event" within forty-eight (48) hours of first becoming aware of the event. Notification does not guarantee that a "covered crisis event" has occurred.
- (3) Provide a written notification, at our request, immediately after the verbal notification. The written notification shall include:
 - (a) A description of how, when and where the "covered crisis event" occurred or is occurring;
 - (b) Name, address and other pertinent information, including the cause, nature, location and extent of injury to any injured persons;
 - (c) Name, address and other pertinent information of any witnesses to the event;

- (d) Nature and location of any physical damage to the "premises"; and
- (e) Response activities undertaken by you, emergency responders or others.

- (4) Take all reasonable steps to protect persons from further harm and to protect property from further damage and keep a record of your expenses necessary to do so for consideration in the settlement of the claim. If feasible, set the damaged property aside and in the best possible order for examination. This will not increase your Limit of Insurance as shown in the Schedule for Crisis Event Expense Coverage. However, we will not pay for any subsequent loss resulting from other than a "covered crisis event".

- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and permit us to 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.

- (6) Submit 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.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.
- (9) Allow us to examine any insured under oath, outside 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.

3. Loss Determination

- a. The amount of "crisis event business income" loss will be determined based on:

- (1) The Net Income of the business before the "covered crisis event" occurred;
- (2) The likely Net Income of the business if no "covered crisis event" had occurred, but not including any Net Income that would 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 crisis event" on customers or other businesses;
- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the "covered crisis event"; 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 "crisis event extra expense" will be determined based on:

- (1) All necessary expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "crisis event period of restoration" if no "covered crisis event" 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 "crisis event period of restoration", once "operations" are resumed; and
 - (b) Any Extra Expense that is paid for by other insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and
- (2) Necessary expenses that reduce the "crisis event business in-

come" loss that otherwise would have been incurred.

- c. Resumption of Operations

We will reduce the amount of your:

- (1) "Crisis event business income" loss, other than "crisis event extra expense", to the extent you can resume your "operations", in whole or in part, at the affected "covered location" or elsewhere;
- (2) "Crisis event extra expense" loss to the extent you can return "operations" to normal and discontinue such "crisis event 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.

- e. The amount of "crisis event response communication expense" loss will be determined based on the additional expenses incurred by you to manage your organization's communications to your employees, shareholders, customers, government authorities, news media and other members of the public after the "covered crisis event".

4. Loss Payment

We will pay for "covered crisis event" within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this endorsement, and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

G. Additional Conditions

The **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS** apply to the coverages provided by this endorsement. The following Conditions are amended but only with respect to the coverages provided by this endorsement.

1. Coinsurance

The Coinsurance Additional Condition does not apply.

2. Deductibles

Policy deductibles do not apply to the coverage provided by this endorsement other than the Waiting Period shown in

the Schedule of Coverages applicable to "crisis event business income".

3. Other Insurance

If there is other insurance covering the same loss under this policy or any other policy, we will pay only the amount of the covered loss in excess of the amount due from the other insurance, whether collectible or not. If the other insurance covers the same loss but includes a higher deductible, we will pay for the difference between the deductible applicable to the coverage in this endorsement and that other coverage. As it pertains to this endorsement, other insurance includes the insurance coverage or noninsurance services provided by an employer's employee assistance plan or similar service. Regardless of other insurance, we will not pay more than the applicable Limit of Insurance shown in the Schedule for this endorsement.

4. Loss or Damage Covered by this Endorsement

Loss or damage by a "covered crisis event" only applies to the coverage provided specifically by this endorsement. "Covered crisis event" does not apply to any other insurance provided by this policy, including but not limited to any coverage for Business Income and Extra Expense. A "covered crisis event" is not a Covered Cause of Loss in any Coverage Form unless specifically added by another endorsement as a Covered Cause of Loss to that Coverage Form.

H. Definitions

The following definitions apply in addition to **SECTION G. DEFINITIONS** but only with respect to the coverages provided by this endorsement.

1. "Covered communicable diseases" means any disease or any related or resulting diseases, viruses, complexes, symptoms, manifestations, effects, conditions or illnesses, except this endorsement does not apply to any "loss" directly or indirectly attributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may

cause global outbreak, or pandemic, or serious illness.

2. "Covered crisis event" means the following:

a. Violent Act

A malicious act, attempt or threat committed on your "premises" against any person that results in physical injury or death to such person or an innocent bystander. This includes the direct "loss" or damage to your "premises" or the property of others on your "premises" resulting from such act, attempt or threat. This does not include such acts, attempts or threats committed by you or by any of your partners, directors, officers, trustees, employees (including leased or temporary workers), authorized representatives or if you are a limited liability company, your members or your managers. Any such act, attempt or threat must be determined to have been credible.

b. Premises Contamination

The necessary closure of all or part of your "covered location" due to any sudden, accidental and unintentional contamination or impairment of the "covered location" which results in clear, identifiable, internal or external visible symptoms of bodily injury, illness or death of any person. This includes "covered locations" contaminated by a "covered communicable disease" or Legionnaires' disease, but it does not include "covered locations" contaminated in whole or in part by other "pollutants", "fungi" or bacteria except as provided by "covered communicable disease".

c. Contaminated Food

- 1) The necessary closure of all or part of your "covered location" ordered by a Board of Health or any other governmental authority as a result of the discovery or belief that contaminated food or drink has been served to patrons at your "covered location".
- 2) The necessary announcement by you, the Board of Health or any other governmental authority warning the public of a health hazard at your "covered location" because of the discovery or verified belief that contaminated food or drink has been served to your patrons.

d. Child Abduction or Kidnap

A felony act, attempt or threat to unlawfully seize and detain a person under the age of sixteen (16) from your "covered location" by someone other than the person's parent or guardian. Any such act, attempt or threat must be determined to have been credible.

e. Stalking

A felony act, attempt or threat by a person directed at one or more of your employees or customers, while on your "covered location", who expresses or implies a credible intent to place your employee or customer in reasonable fear of death or serious bodily harm.

f. Sexual Assault

A felony act, attempt or threat of sexual assault that is directed at one or more persons while on your "covered location". Any such act, attempt or threat must be determined to have been credible.

g. Criminal Use of a Firearm

A felony act, attempt or threat that involves the unlawful use of a firearm or device designed to cause harm or damage while on your "covered location". Any such act, attempt or threat must be determined to have been credible.

h. Other Emergency Events

When any of the following events occur at your "covered location" and result in injury or damage causing significant regional or national news media coverage of you or your "operations":

- 1) Fire or explosion;
- 2) Construction accident;
- 3) Equipment failure; or
- 4) Workplace accident.

3. "Covered location" means that part of a "premises" you occupy, including the area within 1,000 feet thereof. If you have more than one "covered location", the term "covered location" means only the location at which the "covered crisis event" occurred.

4. "Crisis event business income" means the:

- a. Net income (net profit or loss before income taxes), including "Rental Value", that would have been earned or incurred before the "covered crisis event"; and

- b. Continuing normal operating expenses incurred, including payroll.

5. "Crisis event extra expense" means necessary expenses you incur during the "crisis event period of restoration" that you would not have incurred if there had been no "covered crisis event" at your "covered location".

6. "Crisis event period of restoration" means the period of time that:

- a. Begins:

- 1) After the Waiting Period shown in Item **C.** of the Schedule for "crisis event business income" following the date of the "covered crisis event" at your "covered location"; or

- 2) Immediately on the date of the "covered crisis event" at your "covered location" for "crisis event extra expense"; and

- b. Ends on the earlier of the date when, using reasonable speed, "operations" at your "covered location" should be returned to the condition that would have existed had the "covered crisis event" not occurred.

7. "Crisis event response communication expense" means:

- a. Reasonable fees and expenses you necessarily incur after a "covered crisis event" occurs for the services of a public relations or similar professional crisis management organization to assist or advise you in order to minimize negative publicity and restore or otherwise positively communicate the image of your "operations"; and

- b. The reasonable additional expense you necessarily incur after a "covered crisis event" occurs above your normal expenses to minimize negative publicity and restore or otherwise positively communicate the image of your "operations";

- c. Any expense incurred for services beyond sixty (60) consecutive days after a "covered crisis event" occurs is not covered by this endorsement.

8. "Fungi" means any type or form of fungus, and includes, but is not limited to, any

form or type of mold, mushroom or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi. However, "fungi" does not include "fungi" on food for human consumption.

9. "Operations" means:

- a.** Your business activities occurring at the "covered location"; and
- b.** The ability to rent your "premises" for "rental value".

10. "Post crisis event expense" means reasonable and necessary expenses incurred by your employees, customers or other persons:

- a.** Who were physically on your "covered location" at the time and at the specific location where the "covered crisis event" occurred; and
- b.** Who suffered physical harm or other medically-based harm directly due to the "covered crisis event" that results in:
 - 1)** First aid or emergency care at the time of the "covered crisis event";
 - 2)** Medical treatment;
 - 3)** Professional psychological counseling or other necessary professional mental health treatment;
 - 4)** Ambulance or transportation costs to and from a local provider of such treatments; or

5) Funeral and burial expenses for those persons who died as a result of the "covered crisis event".

Coverage applies only to those whose treatment or expense arises directly from the "covered crisis event".

All covered treatments and expenses must take place within sixty (60) consecutive days after the "covered crisis event" occurred.

11. "Rental value" means "Business Income" that consists of:

- a.** Net income (net profit of loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the "covered location" as furnished and equipped by you, including fair rental value of any portion of the "covered location" which is occupied by you; and
- b.** Continuing normal operating expenses incurred in connection with that "covered location", including:
 - 1)** Payroll; and
 - 2)** The amount of charges which are the legal obligation of the tenants but would otherwise be your obligations.

12. "Suspension" means:

- a.** The slowdown or cessation of your business activities; or
- b.** That part or all of the "covered location" is rendered untenable.



THE BRIDGE ENDORSEMENT

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THE BRIDGE ENDORSEMENT

BRIDGE SCHEDULE OF COVERAGE LIMITS

<u>Coverages:</u>	<u>Limit of Insurance:</u>
Business Travel Benefit	\$50,000
Conference Cancellation	\$25,000
Donation Security	\$50,000
Emergency Travel Expense	\$50,000
Fundraising Event Cancellation Expense	\$25,000
Image Restoration and Counseling Expense	\$50,000
Key Individual Replacement Expense	\$50,000
Kidnap Expense	\$50,000
Lease Assessment	\$2,500
Leasehold Improvements	\$25,000
Political Unrest Evacuation Expense	\$25,000 (\$5,000 per employee)
Temporary Meeting Space Expense	\$25,000
Travel Delay Expense	\$1,500
Unauthorized Business Card Use	\$1,500
Workplace Violence Counseling Expense	\$50,000

Deductible:

\$500.00

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THE BRIDGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The insurance coverage and Limits of Insurance provided by this endorsement are excess of, and apply in addition to, any similar or identical coverage provided by any other endorsement attached to this Coverage Part, or by any other Coverage Part forming a part of the policy of insurance of which this Coverage Part forms a component.

SECTION I - COVERAGES

A. Business Travel Benefit

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Business Travel Benefit

1. We will pay you the business travel benefit if your current "director or officer" while occupying, as a fare-paying passenger, a public conveyance provided and operated by a commercial transportation carrier for regular passenger service by land, water, or air suffers "injury" while traveling for purposes related to your business pursuits during the "coverage term".
2. We will not pay business travel benefit for "injury" caused directly or indirectly by any of the following:
 - a. An intentional injury by the insured, "director or officer" or decedent;
 - b. An act of suicide or attempted suicide by the insured, "director or officer" or decedent;
 - c. An act of war; or
 - d. A disease process the insured, "director or officer" or decedent was diagnosed with prior to the suffered "injury" for which coverage under this Coverage Extension is sought.
3. For **Business Travel Benefit** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**, is amended to include the following:

"Injury" means:

- a. Accidental loss of life caused by physical injury to the body;
- b. Accidental loss of limbs or multiple fingers; or
- c. Accidental total loss of sight, speech or hearing.

The "injury" outlined in Paragraphs **a.**, **b.**, and **c.** above must physically occur to the current "director or officer".

4. For **Business Travel Benefit** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**, is amended to include the following:

"Director or officer" means that particular current director or current officer for which coverage under this Coverage Extension is sought.

The most we will pay for all "injury" under **Business Travel Benefit** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

B. Conference Cancellation

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Conference Cancellation

1. We will reimburse the insured for any "business-related conference expense" incurred and not reimbursed by any other source as the result of a cancellation of a conference or convention. The cancellation must be the direct result of an order made by a civil authority responding to a "natural catastrophe" or to a "communica-

ble disease" outbreak during the "coverage term".

2. For **Conference Cancellation** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

- a. "Business-related conference expense" means those expenses incurred by you for your employee(s) scheduled to attend a conference or convention provided that the employee(s) was (were) registered for the conference or convention at least 30 days prior to the conference's or convention's cancellation.
- b. "Communicable disease" means any disease or any related or resulting diseases, viruses, complexes, symptoms, manifestations, effects, conditions or illnesses, except this endorsement does not apply to any "loss" directly or indirectly attributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may cause global outbreak, or pandemic, or serious illness.
- c. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

The most we will pay for all "business related conference expense" under **Conference Cancellation** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

C. Donation Security

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Donation Security

1. We will reimburse you for a "failed donation" incurred and not reimbursed by any other source.

2. For non-cash donations, the value of the "failed donation" will be determined based on the fair market value of the non-cash item at the time of the "failed donation".
3. For **Donation Security** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

"Failed donation" means notice to the insured during the "coverage term" of:

- a. The bankruptcy or reorganization of any donor whereby such bankruptcy or reorganization prevents the donor from honoring a written pledge, made during the "coverage term", of funds or other measurable, tangible property to the insured provided that the donor has never been in bankruptcy or filed for bankruptcy/reorganization prior to the time the donor's pledge was made to you; or
- b. The unemployment or "incapacitation" of an individual donor during the "coverage term" preventing the donor from honoring a prior written pledge of funds or other measurable, tangible property to the insured provided that, if the donor is an individual who becomes unemployed or "incapacitated":
 - (1) Neither you nor the donor shall have had reason to believe the donor would become unemployed or "incapacitated" prior to the donation date;
 - (2) The individual donor is unemployed or "incapacitated" for at least 60 days before payment is made by the Company; and
 - (3) There is a written pledge of funds or other measurable, tangible property dated during the "coverage term".

4. For **Donation Security** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

"Incapacitated or incapacitation" means a person who is impaired by physical injury, physical illness, or physical disability. The cause of the physical injury, physical illness or physical disability must be accidental.

5. A donation amount which is to be collected by you over a period of more than 12 months will be deemed a single donation.

The most we will pay for all "failed donations" under **Donation Security** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

D. Emergency Travel Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Emergency Travel Expense

1. We will reimburse the reasonable "emergency travel expense", while traveling for purposes related to your business pursuits during the "coverage term", incurred by your current director or officer and necessitated by a "certified act of terrorism" which:
 - a. Occurs during the "coverage term"; or
 - b. Begins to occur during the "coverage term".
2. For **Emergency Travel Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Emergency travel expense" means:
 - (1) Hotel expense incurred, and not reimbursed by any other source, as the result of the cancellation of scheduled transportation by a commercial transportation carrier for regular passenger service by land, water, or air. The cancellation must occur within forty-eight hours of a "certified act of terrorism"; and
 - (2) The increased amount incurred and not reimbursed by any other source for air or train fare resulting from cancelling and re-scheduling a form of transportation to replace a similarly scheduled form of transportation canceled by a commercial transportation carrier.
 - b. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance 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 of affect the conduct of the United States Government by coercion.

The most we will pay for all emergency travel expenses under **Emergency Travel Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

E. Fundraising Event Cancellation Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Fundraising Event Cancellation Expense

1. We will reimburse you for fundraising event related expense incurred, and not reimbursed by any other source, due to the cancellation of a fundraising event. However:
 - a. The canceled fundraising event must not be rescheduled within the "coverage term"; and
 - b. The fundraising event cancellation must be the direct result of an order made by a civil authority responding to a "natural catastrophe" or a "communicable disease" outbreak during the "coverage term".
2. For **Fundraising Event Cancellation Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Communicable disease" means any disease or any related or resulting diseases, viruses, complexes, symptoms, manifestations, effects, condi-

tions or illnesses, except this endorsement does not apply to any "loss" directly or indirectly attributable to Anthrax, Avian Influenza, Crimean-Congo Hemorrhagic Fever, Dengue Hemorrhagic Fever, Ebola Hemorrhagic Fever, Francisella Tularensis, Influenza, Lassa Fever, Marburg Hemorrhagic Fever, Meningococcal disease, Plague, Rift Valley Fever, Severe Acute Respiratory Syndrome, Smallpox, Tularemia, Yellow Fever or any pandemic or similar influenza which is defined by the United States Center for Disease Control as virulent human influenza that may cause global outbreak, or pandemic, or serious illness.

- b. "Natural catastrophe" means hurricane, tornado, earthquake or flood.

The most we will pay for all fundraising event cancellation expenses under **Fundraising Event Cancellation Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

F. Image Restoration and Counseling Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Image Restoration and Counseling Expense

1. We will pay your "image restoration and counseling expense" resulting from a "covered event" that occurs during the "coverage term".
2. For **Image Restoration and Counseling Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Covered event" means an actual or alleged act, attempt or threat of sexual misconduct or sexual molestation directed at one or more of your clients while in your care, custody and control, committed by you, any of your partners, directors, officers, employees, independent contractors or volunteers.
 - b. "Image restoration and counseling expense" means reasonable fees

and expenses you necessarily incur after a "covered event" occurs for:

- (1) The services of a public relations or similar professional image restoration organization to assist or advise you in order to minimize negative publicity and restore or otherwise positively communicate the image of your "operations".
- (2) Legal counseling and professional psychological counseling or other necessary professional mental health treatment for you, any of your partners, directors, officers or employees as a result of a "covered event". These "image restoration and counseling expenses" are payable only if and when the accused is acquitted or is discharged from being accused of committing the "covered event".
- (3) The recruitment of a replacement for an officer who has been relieved of their duties in your "operations" as a result of the "covered event".

The most we will pay for all "image restoration and counseling expense" under **Image Restoration and Counseling Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

G. Key Individual Replacement Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Key Individual Replacement Expense

1. We will pay the reasonable "replacement expense" incurred, and not reimbursed by any other source, to replace your Chief Executive Officer or your Executive Director if your incumbent Chief Executive Officer or Executive Director is unable to continue due to death or permanent disability resulting from an injury that takes place during the "coverage term".
2. For **Key Individual Replacement Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS**, is amended to include the following:

"Replacement expense" means:

- a. Costs of advertising the employment position opening;
- b. Travel, lodging, and meals incurred in interviewing job applicants for the position opening; and
- c. Reasonable extra expenses incurred with our prior consent in finding, interviewing and negotiating with the job applicants including, but not limited to, overtime pay, costs to verify the background and references of the applicants and legal expenses incurred to draw up employment contracts.

The most we will pay for all "replacement expense" under **Key Individual Replacement Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

H. Kidnap Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Kidnap Expense

1. We will pay the reasonable "kidnap expense" incurred by you or your current director or officer as a result of the "kidnap" of a "covered person" that takes place during the "coverage term".

This coverage does not apply to any "kidnapping" by or at the direction of any past or present family member of the "covered person".

2. For **Kidnap Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

- a. "Covered person" means:
 - (1) Any current director or officer of the named insured; or
 - (2) The spouse, parent, or child of a current director or officer of the named insured.
- b. "Kidnap", "kidnapped", or "kidnapping" means the illegal taking and holding of a "covered person" by an individual who demands a "ransom". The "ransom" must specifically be demanded from your assets as a

condition for the release of the "covered person".

- c. "Kidnap expense" means:

- (1) Fees and expenses of an independent negotiator you have hired with our prior approval;
- (2) Incurred interest of loans taken for the purpose of paying "ransom", provided that the loan is repaid within seven days of the insured receiving reimbursement from us;
- (3) Travel and accommodation expenses incurred by any current director or officer of the named insured;
- (4) Reward paid by the insured, with our prior approval, to an "informant" for information which leads to the arrest and conviction of parties responsible for a "kidnapping", provided that the offer of such reward is approved by the local law enforcement officials; and
- (5) Gross salary including bonuses and allowances paid by you to your "kidnapped" director or officer which is contractually due at the time the "kidnapping" occurs. The salary will be paid for a period beginning on the date of the "kidnap" and will end upon the earlier of:
 - (a) Up to 30 days after the release of the director or officer, if the director or officer has not yet returned to work;
 - (b) The discovery of the death of the director or officer;
 - (c) 120 days after we receive the last credible evidence following the "kidnapping" that the director or officer is still alive;
 - (d) 12 months after the date of the "kidnapping"; or
 - (e) The exhaustion of the kidnap expense limit.
- d. "Ransom" means money or other consideration demanded or paid for the release of a "covered person".

The most we will pay for all "kidnap expense" under **Kidnap Expense** in any one "coverage

term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

I. Lease Assessment

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Lease Assessment

Your Business Personal Property insurance coverage is extended to apply to your share of any assessment charged to all tenants by the building owner as a result of direct damage caused by or resulting from a Covered Cause of Loss that occurs during the "coverage term" to building property you occupy at a "premises" as agreed to in your written lease agreement.

The most we will pay for all "loss" under **Lease Assessment** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

J. Leasehold Improvements

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Leasehold Improvements

If your lease is cancelled in accordance with a valid lease provision as the direct result of a Covered Cause of Loss to property during the "coverage term" at a "premises" you occupy as a tenant, and you cannot legally remove Tenant Improvements and Betterments, as described in **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property, (6)** we will extend your Business Personal Property insurance coverage to apply to the unamortized value of Tenant Improvement and Betterment that remain and that you were forced to abandon.

The most we will pay for all "loss" under **Leasehold Improvements** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

K. Political Unrest Evacuation Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVER-**

AGE, 5. Coverage Extensions is amended to include the following:

Political Unrest Evacuation Expense

1. We will reimburse any current director, officer, employee or volunteer of the named insured for "emergency evacuation expense" that is incurred as the direct result of "political unrest" outside of the United States of America, its territories and possessions, Puerto Rico or Canada. We will only pay "emergency evacuation expense" directly related to traveling for your business pursuits and we will only pay "emergency evacuation expenses" not reimbursed by any other source. The "political unrest" must occur in the country where your current director, officer, employee or volunteer is traveling and the "political unrest" must occur during the "coverage term".

No coverage is granted for travel to countries in a state of "political unrest" at the time of departure of the travel or countries under a United States Department of State trade or travel restriction at the time of incident of "political unrest".

2. For **Political Unrest Evacuation Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:

- a. "Emergency evacuation expense" means:

- (1) Additional lodging expenses;
- (2) Additional transportation costs;
- (3) The cost of obtaining replacement of lost or stolen travel documents necessary for evacuation from the area of "political unrest"; and
- (4) Translation services, message transmittals and other communication expenses provided that these expenses are not otherwise reimbursable.

- b. "Political unrest" means:

- (1) A short-term condition of disturbance, turmoil or agitation within a foreign country that poses imminent risks to the security of citizens of the United States;
- (2) A long-term condition of disturbance, turmoil or agitation that makes a foreign country danger-

ous or unstable for citizens of the United States; or

- (3) A condition of disturbance, turmoil or agitation in a foreign country that constrains the United States Government's ability to assist citizens of the United States, due to the closure or inaccessibility of an embassy or consulate or because of a reduction of its staff for which either an alert or travel warning has been issued by the United States Department of State.

The most we will pay for all "emergency evacuation expenses" under **Political Unrest Evacuation Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

L. Premises Boundary Increase

Any reference to 1,000 feet in **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**,

1. **SECTION A. COVERAGE, 1. Covered Property, a. Building, (5)(b); or**
2. **SECTION A. COVERAGE, 1. Covered Property, b. Outdoor Signs; or**
3. **SECTION A. COVERAGE, 1. Covered Property, d. Business Personal Property; or**
4. **SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations, (2) Limitations - Various Property for Specified Causes, (b), 1); or**
5. **SECTION A. COVERAGE, 5. Coverage Extensions; or**
6. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (1) Business Income; or**
7. **SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (4) Alterations and New Buildings, (c); or**
8. **SECTION A. COVERAGE, 5. Coverage Extensions, f. Fences;**

is increased to 1,800 feet.

M. Temporary Meeting Space Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Temporary Meeting Space Expense

We will reimburse you the meeting space rental expense incurred, and not reimbursed by any other source, due to the temporary unavailability of your primary meeting office space on the "premises". The unavailability of your primary meeting space must be the result of direct "loss" to a climate control system or hot water heater during the "coverage term". However, **Temporary Meeting Space Expense** does not apply to the renting of a temporary meeting space solely for use by you, your "employees", your officers or directors unless the temporary meeting space is also required for meeting with vendors, clients or customers outside your organization.

The most we will pay for all temporary meeting space rental expenses under **Temporary Meeting Space Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

N. Travel Delay Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions** is amended to include the following:

Travel Delay Expense

1. We will reimburse your current director or officers any "travel delay expense" incurred, and not reimbursed by any other source, as a result of delay or cancellation of any regularly scheduled travel on a commercial transportation carrier. The regularly scheduled travel must be directly related to your business pursuits and the cause of the cancellation must occur during the "coverage term". However, we will only pay for "travel delay expense" first incurred seventy-two (72) hours after the cancellation occurred.

We will not pay for "travel delay expense" due to a "certified act of terrorism".

2. For Travel Delay Expense only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include the following:
 - a. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terror-

ism 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 of affect the conduct of the United States Government by coercion.

b. "Travel delay expense" means the following travel-related expense for which your director or officer produces a receipt:

- (1) Meals and lodging;
- (2) Alternative transportation;
- (3) Clothing and necessary toiletries; or
- (4) Emergency prescription and non-prescription drug expenses.

The most we will pay for all "travel delay expense" under **Travel Delay Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section I, R. Deductible applies.

O. Unauthorized Business Card Use

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Unauthorized Business Card Use

1. We will pay for your loss of "money" or charges and costs you incur that result directly from the unauthorized use of credit, debit or charge cards issued in your business name, including:
 - (a) Fund transfer cards;
 - (b) Charge plates; or
 - (c) Telephone cards.
2. For this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE,**

2. Property Not Covered, a. Accounts, Deeds, Money or Securities is deleted in its entirety and replaced with the following:

Accounts, Deeds, Money or Securities

Except as provided in SECTION A. COVERAGE, 4. Additional Coverages, Unauthorized Business Card Use; and **5. Coverage Extensions, a. Accounts Receivable**, Accounts, bills, currency, deeds, food stamps or other evidences of debt, "money", notes or "securities".

3. The most we will pay for all loss of money or charges and costs under **Unauthorized Business Card Use** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section I, R. Deductible applies.

P. Unintentional Error in Description

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended to include the following:

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

Q. Workplace Violence Counseling Expense

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended to include the following:

Workplace Violence Counseling Expense

1. We will reimburse you for emotional counseling expense incurred and not reimbursed by any other source resulting from a "workplace violence" incident at your "premises" during the "coverage term". The emotional counseling expenses incurred must have been for:
 - a. Your employees who were victims of, or witnesses to the "workplace violence";
 - b. The spouse, parents or children of your employees who were victims of, or witnesses to the "workplace violence"; and

- c. Any other person or persons who directly witnessed the "workplace violence" incident.
2. For **Workplace Violence Counseling Expense** only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended to include:

"Workplace violence" means any intentional use of deadly force by any person with intent to cause harm and that results in physical injury or death of any person while on the insured's "premises".

The most we will pay for all emotional counseling expense under **Workplace Violence Counseling Expense** in any one "coverage term" is the Limit of Insurance indicated in the Bridge Schedule of Coverage Limits.

Section **I, R. Deductible** applies.

R. Deductible

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FROM, SECTION C. DEDUCTIBLE** is deleted in its entirety and replaced by the following:

We will not pay for an insured event in any one occurrence until the amount of the insured event exceeds the Deductible indicated in the Bridge Schedule of Coverage Limits. We will then pay the amount of the insured event in excess of the Deductible, up to the applicable Limit of Insurance in the Bridge Schedule of Coverage Limits in this endorsement.

SECTION II - CONDITIONS

- A. For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 3. Duties In The Event of Loss or Damage** is deleted in its entirety and replaced by the following:

3. Duties In The Event of an Insured Event

- a. In the event of an insured event for which this coverage is sought, you must see that the following are done in order for coverage to apply:
- (1) Notify the police if a law may have been broken; however, this does not apply to **SECTION I - COVERAGES, H. KIDNAP EXPENSE**.
 - (2) Give us prompt notice of the insured event. Include a description of any property involved.

- (3) As soon as possible, give us a description of how, when and where the insured event occurred.

- (4) Take all reasonable steps to protect any property involved from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Keep a record of your expenses necessary to protect any property involved for consideration in the settlement of the claim. This will not increase your limit of insurance. However, in no event will we pay for any subsequent insured event resulting from a cause of loss that is not a Covered Cause of Loss.

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

- (6) As often as may be reasonably required, permit us to inspect any property proving the insured event 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) Submit 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.

B. For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 4. Loss Payment**, Paragraphs **a.** through **h.** are deleted in their entirety and replaced by the following:

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

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 **SECTION D. LOSS CONDITIONS, 7. Valuation** or any applicable provision that amends or supercedes this valuation condition.

- b.** 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, except as provided in **SECTION A. COVERAGE, 4. Additional Coverages, g. Ordinance or Law**.
- 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 any property for which coverage is sought.

- e.** We may adjust amounts payable as the result of an insured event 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 property for which coverage is sought.

- f.** Our payment for "loss" to personal property of others and personal effects will only be for the account of the owner of the property.

- g.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

- h.** We will pay for an insured event 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 the insured event; or

- (2)** An appraisal award has been made.

C. For purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 7. Valuation**, the first sentence is deleted in its entirety and replaced by the following:

7. Valuation

We will determine the value of any property involved in the event of an insured event as follows:

- a.** At "Actual Cash Value" as of the time of the insured event, except as provided in **b.**, **c.**, **d.**, and **e.** below.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF COVERAGE - CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. Cyber Incident Exclusion

For the purposes of this endorsement only,

- 1. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Cause of Loss, b. Exclusions, Paragraph (1)** is amended to include the following:

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

Cyber incident, meaning:

- a.** Unauthorized access to or use of any computer system (including electronic data).
- b.** 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.
- c.** 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.

A cyber incident includes, but is not limited to, ransomware.

However, if a cyber incident results in direct "loss" from fire or explosion, we will pay for the resulting "loss" caused by that fire or explosion.

If Vandalism coverage is not otherwise excluded under this Coverage Part, vandalism does not include a cyber incident.

- 2.** If endorsed to this Coverage Part, a Commercial Property Endorsement with a

coverage section for **Electronic Data Processing Property, Paragraph (3) Exclusions** is amended to include the cyber incident exclusion described in Paragraph **A. 1.** above to the list of excluded causes of loss.

- 3.** If endorsed to this Coverage Part, **TEMPERATURE CHANGE LOSS FORM, C. Excluded Causes of Loss, Paragraph 2.** is amended to include the cyber incident exclusion described in Paragraph **A. 1.** above to the list of excluded causes of loss.
- 4.** If endorsed to this Coverage Part, a Commercial Property Endorsement with a coverage section for **Temperature Change** is amended to include the cyber incident exclusion described in Paragraph **A.1.** above to the list of excluded causes of loss.
- 5.** If endorsed to this Coverage Part, **MORTGAGE INTEREST COVERAGE FORM, EXCLUSIONS - COVERAGES A. AND B., Paragraph 2.** is amended to include the cyber incident exclusion described in Paragraph **A. 1.** above to the list of excluded causes of loss.

B. Additional Coverage

The exclusion in Paragraph **A. 1.** above does not apply to the extent that coverage is provided in:

- 1. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, b. Business Income and Extra Expense, (7) Interruption of Computer Operations;**
- 2. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 5. Coverage Extensions, d. Electronic Data;**
- 3. BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations; or**
- 4. BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages, e. Interruption of Computer Operations**

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 direct "loss", 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", we will not pay more than the actual amount of the "loss".

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 "loss" occurred.

E. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

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". 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", other than that described in 1. above, we will pay only for the amount of covered "loss" in excess of the amount due from that other insurance, whether you can collect on it or not. **However, we will not reimburse any deductible or difference between Actual Cash Value and Replacement Cost valuations.** We will not pay more than the applicable Limit of Insurance.

H. Policy Period, Coverage Territory

Under this Coverage Part:

1. We cover "loss" commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory:
 - 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 direct "loss" to impair them. But you may waive your rights against another party in writing:

- 1.** Prior to a direct "loss" to your Covered Property or Covered Income.
- 2.** After a direct "loss" to your Covered Property or Covered Income only if, at time of direct "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.**LOSS PAYABLE PROVISIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART**SCHEDULE**

Loc	Bldg	Loss Payee Name and Address:	Applicable Clause (Enter B, C, D or E):
1	1	CAPSTAR BANK ISAOA PO BOX 305065 NASHVILLE, TN 37230	B

- A.** 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.

For the purposes of this endorsement only, the following are added to **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION D. LOSS CONDITIONS, 4. Loss Payment**, as indicated in the Schedule of this endorsement.

B. Loss Payable

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

1. Adjust losses with you; and
2. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

C. Lender's Loss Payable

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

- a. Warehouse receipts;
- b. A contract for deed;

- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

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

- a. We will pay for covered "loss" to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (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 Loss Payee.

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

- d. If we pay the Loss Payee for any "loss" 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 Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) 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.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
- a. 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
- b. 30 days before the effective date of cancellation if we cancel for any other reason.

4. 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.

D. Contract of Sale

1. The Loss Payee shown in the Schedule of this endorsement is a person or organization you have entered a contract with for the sale of Covered Property.
2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:
- a. Adjust losses with you; and
- b. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.
3. For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

E. Building Owner Loss Payable Clause

1. The Loss Payee shown in the Schedule of this endorsement is the owner of the building in which you are a tenant.
2. We will adjust losses to the building with the Loss Payee. Any loss payment made to the Loss Payee will satisfy your claims against us for the owner's property.
3. 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.

EQUIPMENT BREAKDOWN COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. COVERAGE

1. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE** is amended by adding the following:

We will pay for direct "loss" to Covered Property caused by or resulting from an "accident" at the "premises".

2. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions** is amended by:

- a. Adding the following to (1)(e) **Utility Services**, (1)(g) **Water** 1), (2)(a) **Electrical Current**, (2)(d) **Miscellaneous Causes of Loss**, (2)(j) **Exposure to Weather**, (3)(a) **Weather Conditions**, (3)(b) **Acts or Decisions**, and (3)(c) **Defects, Errors, and Omissions**:

However, this exclusion does not apply if the causes of loss are caused by, or result from, an "accident" to Covered Property at the "premises".

- b. Deleting in its entirety (2)(e) **Explosion of Steam Apparatus**.

3. **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, c. Limitations** is amended by:

- a. Deleting in its entirety (1)(a) **Steam Apparatus** and (1)(b) **Hot Water Boilers**.

- b. Adding the following:

The following limitations apply only to "loss" covered by this endorsement. The sublimits provided in Paragraphs (1), (2) and (3) below are included within, and are not in addition to, the Limit of Insurance shown in the Declarations as applicable to the Covered Property. These limits, or the applicable Limit of Insurance shown in the Declarations as applicable to the Covered Property, whichever is less, apply. These limits apply to direct "loss" only.

- (1) **Ammonia Contamination Limitation**

If Covered Property is contaminated by ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for this kind of loss, including salvage expense, is \$100,000 per location.

- (2) **Data, Media and Software Restoration**

If "electronic data" is destroyed or corrupted as a result of an "accident" to covered equipment, the most we will pay for the expenses incurred by you for the restoration of that "electronic data" is \$100,000 for all loss sustained in the "coverage term", regardless of the number of "accidents" or the number of "premises" involved.

- (3) **"Hazardous Substance" Limitation**

The following applies despite the operation of **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss, b. Exclusions, (1)(a) Ordinance or Law**.

If Covered Property is damaged, contaminated or polluted by a "hazardous substance" other than ammonia as a result of an "accident" to Covered Property at the "premises", the most we will pay for any additional expenses incurred by you for clean up, repair, replacement or disposal of that property is \$100,000. As used here, additional expenses mean expenses incurred beyond those for which we would be liable if no "hazardous substance" had been involved.

4. For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A.**

COVERAGE, 5. Coverage Extensions, g. Fungi, Wet Rot, Dry Rot, and Bacteria – Limited Coverage, Paragraph (3) is deleted in its entirety and replaced by the following:

- (3) For the coverage described under Paragraph **g.(2)** of this Coverage Extension, the most we will pay for loss, regardless of the number of claims, is \$100,000. This limit is the most we will pay for the total of all loss arising out of all occurrences that take place in the "coverage term". With respect to a particular occurrence of "loss" which results in "fungi", wet or dry rot or bacteria, we will not pay more than a total of \$100,000 even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a subsequent "coverage term".

B. ADDITIONAL COVERAGES

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 4. Additional Coverages** is amended as follows:

1. Paragraph **a. Change in Temperature or Humidity** is deleted in its entirety.

2. The following are added:

a. Drying Out

If electrical equipment included in Covered Property requires "drying out" as a result of a "flood", the reasonable expense incurred for the "drying out" will be covered.

b. Expediting Expenses

With respect to "loss" covered by this endorsement, and with respect to your damaged Covered Property, we will pay the reasonable extra cost to:

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

c. Non-Owned Utility Service Equipment

We will pay for indirect loss resulting from an "accident" to non-owned utility equipment described in **E. Definitions, 1.a.(7)** but we will not pay for any expense to repair or replace direct "loss" to non-owned utility equipment that:

- (1) You do not own, lease or rent; or
- (2) That is not in your care custody and control.

These Additional Coverages are included within, and not in addition to, the Limits of Insurance shown in the Declarations. All other terms and conditions of this Coverage Part, including deductibles, apply to these Additional Coverages.

C. DEDUCTIBLE

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION C. DEDUCTIBLE** is amended by adding the following:

The deductible applicable to "loss" covered by this endorsement is \$500, or the deductible indicated in the Declarations as being applicable to the lost or damaged Covered Property, whichever is greater.

D. ADDITIONAL CONDITIONS

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION E. ADDITIONAL CONDITIONS** is amended by adding the following:

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" to that covered equipment. This can be done by delivering or mailing a written notice of suspension to:

1. Your last known address; or
2. The address where the covered equipment is located.

Once suspended in this way, your insurance can be reinstated only by written notice from us.

If we suspend your insurance, you will get a pro rata refund of premium for that covered equipment. However, the suspension will be effective even if we have not yet made or offered a refund.

E. DEFINITIONS

For the purposes of this endorsement only, **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION G. DEFINITIONS** is amended by adding the following:

- 1.a. "Accident" means a sudden and accidental breakdown of the following covered equipment:

- (1) Any boiler;

- (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
- (3) Any piping and its accessory equipment;
- (4) Any refrigeration or air conditioning system;
- (5) Any mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power; or
- (6) Any "production machinery".
- (7) Equipment of a type described in definition **a.(1)** through **(6)** above which you do not own, lease or rent and is not in your care, custody or control that is on or within one mile of a covered "location", and is supplying you with electricity, gas, water, steam, heat, refrigeration, air conditioning or communication services.

At the time the breakdown occurs, it must become apparent by physical damage that the covered equipment or part thereof requires repair or replacement.

When the covered equipment or part thereof experiencing a problem is "electronic circuitry" that suddenly loses its ability to function as designed or intended with no apparent physical damage, we will concede physical damage has occurred if the covered equipment or part thereof can be restored to normal operation by replacing one or more "electronic circuitry" components.

b. None of the following is an "accident":

- (1) Depletion, deterioration, corrosion or erosion;
- (2) Wear and tear;
- (3) Leakage at any valve, fitting, shaft seal, gland packing, joint or connection;
- (4) The functioning of any safety or protective device;
- (5) The breakdown of any structure or foundation supporting covered equipment or any of its parts;
- (6) Any condition that can be reasonably remedied by normal maintenance such as:
 - (a) Replacing expendable parts;
 - (b) Recharging batteries; or

- (c) Rebooting, reloading or up-dating software or firmware; or

(7) Any condition caused by or related to:

- (a) Incompatibility of covered equipment or part thereof with any software or equipment installed, introduced or networked within the prior 30 days; or
- (b) Programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, or other condition within or involving data or media of any kind.

c. None of the following are covered equipment:

- (1) Any sewer piping, underground gas piping, or piping forming a part of a sprinkler system;
- (2) Water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigeration or air conditioning system;
- (3) Insulating or refractory material;
- (4) Vehicle, elevator, escalator, conveyor, hoist or crane;
- (5) Felt, wire, screen, swing hammer, grinding disc, cable, chain, belt, rope or nonmetallic part;
- (6) Die, mold, extrusion plate, cutting blade or any part or tool subject to periodic replacement for production or maintenance purposes;
- (7) Penstock, draft tube or well casing; or
- (8) Excavation or construction equipment or any equipment mounted thereon.

d. If a strike, riot, civil commotion, act of sabotage or vandalism results in an "accident", this insurance applies. However, the War and Military Action Exclusion and the conditions of this Coverage Part still apply.

2. "Drying out" means restoration of electrical equipment to service following a "flood" by removal of excess moisture from that equipment including:

- a.** Application of heat or controlled electrical current, circulation of air, or use of dehumidification equipment, after rinsing the electrical equipment with clean fresh water if necessary to flush away "flood" debris;

- b.** "Drying out" can be done in place or equipment can be disconnected and removed to a repair facility for drying if necessary.
 - c.** "Drying out" does not include or apply to:
 - (1)** Replacement or repair of any electrical equipment or parts thereof; or
 - (2)** Any expense related to deconstruction, demolition, or reconstruction of any building component, structure or part thereof to gain access to electrical equipment.
- 3.** "Electronic circuitry" means microelectronic components, including but not limited to circuit boards, integrated circuits, computer chips and disk drives.
- 4.** "Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas due to:
 - a.** The overflow of inland or tidal waters;
 - b.** The unusual or rapid accumulation or runoff of surface waters from any source; or
 - c.** Mudslides or mudflows, which are caused by flooding as defined above in Paragraph

4.b. For the purposes of this Covered Cause of Loss, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

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

- 5.** "Hazardous substance" means a substance declared to be hazardous to health by a governmental agency.
- 6.** "Production machinery" means:
 - a.** Production or process machine or apparatus that processes, forms, cuts, shapes, grinds or conveys raw material, material in process or finished products, and the computers and their peripherals that control or operate such a machine or apparatus.
 - b.** Machine or apparatus used for research, medical, diagnostic, surgical, dental or pathological purposes, and computers and their peripherals that control or operate such a machine or apparatus.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION F. DEFINITIONS**.

SECTION A. COVERAGE

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- a. "Business Income" including "Rental Value".
- b. "Business Income" other than "Rental Value".
- c. "Rental Value".

If option **a.** above is selected, the term "Business Income" will include "Rental Value". If option **c.** above is selected, the term "Business Income" will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

1. Business Income

- a. We will pay for the actual loss of "Business Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct "loss" to property at "premises" which are described in the Declarations and for which a "Business Income" Limit of Insurance is shown in the Declarations. The "loss" must be caused by or result from a Covered Cause of Loss. With respect to "loss" to personal property in the open (or personal property in a vehicle or portable storage unit), the "premises" include the area within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.
- b. With respect to the requirements set forth in the preceding paragraph, if you are a tenant and occupy only part of the site at which the "premises" are located, for the purposes of this Coverage Part only, your "premises" is the portion of the building which you rent, lease or occupy, including:
 - (1) Any area within the building or on the site at which the "premises" are lo-

cated if that area services or is used to gain access to the described "premises".

- (2) Your personal property in the open (or in a vehicle or portable storage unit) within 1,000 feet of the building or 1,000 feet of the "premises", whichever distance is greater.

2. Extra Expense

- a. Extra Expense coverage is provided at the "premises" described in the Declarations only if the Declarations show that "Business Income" coverage applies at that "premises".
- b. Extra Expense means necessary expenses you sustain (as described in Paragraphs **2.c.**, **d.** and **e.**) during the "period of restoration" that you would not have sustained if there had been no direct "loss" to property caused by or resulting from a Covered Cause of Loss.
- c. If these expenses reduce the otherwise payable "Business Income" "loss", we will pay expenses (other than the expense to repair or replace property as described in Paragraph **2.d.**) to:
 - (1) Avoid or minimize the "suspension" of business and to continue "operations" either:
 - (a) At the "premises"; or
 - (b) At replacement "premises" or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location; or
 - (2) Minimize the "suspension" of business if you cannot continue "operations".
- d. We will also pay expenses to:
 - (1) Repair or replace property; or

- (2) Research, replace or restore the lost information on damaged "valuable papers and records";

but only to the extent this payment reduces the otherwise payable "Business Income" "loss". If any property obtained for temporary use during the "period of restoration" remains after the resumption of normal "operations", the amount we will pay under this Coverage Form will be reduced by the salvage value of that property.

- e. Extra Expense as described in Paragraphs 2.a. thru 2.d. does not apply to "loss" to Covered Property as described in the **BUILDING AND PERSONAL PROPERTY COVERAGE FORM**.

3. Covered Causes of Loss

See **BUILDING AND PERSONAL PROPERTY COVERAGE FORM, SECTION A. COVERAGE, 3. Covered Causes of Loss**.

4. Limitation for Electronic Data

- 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" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. 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" to "electronic data", except as provided under **SECTION A. COVERAGE, 5. Additional Coverages, d. Interruption of Computer Operations**.
- c. This Limitation does not apply when "loss" to "electronic data" involves only "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

5. Additional Coverages

The Additional Coverages in Paragraphs 5.a. through 5.e. are included within and not additional "Business Income" and Extra Expense Limits of Insurance.

a. Alterations and New Buildings

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain due to direct "loss" at the "premises" caused by or re-

sulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the "premises" and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct "loss" delays the start of "operations", the "period of restoration" for "Business Income" coverage will begin on the date "operations" would have begun if the direct "loss" had not occurred.

b. Civil Authority

When a Covered Cause of Loss causes direct damage to property other than Covered Property at the "premises", we will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by action of civil authority that prohibits access to the "premises", provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority coverage for "Business Income" will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will apply for a period of up to 30 consecutive days from the date on which such coverage began.

Civil Authority coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the "premises" and will end 30 consecutive days after the date of that action; or when your Civil Authority coverage for "Business income" coverage ends, whichever is later.

c. Extended Business Income**(1) "Business Income" Other Than "Rental Value"**

If the necessary "suspension" of your "operations" produces a "Business Income" "loss" payable under this Coverage Part, we will pay for the actual loss of "Business Income" you sustain during the period that:

- (a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b)** Ends on the earlier of:
 - (i)** The date you could restore your "operations", with reasonable speed, to the level which would generate the "Business Income" amount that would have existed if no direct "loss" had occurred; or
 - (ii)** 60 consecutive days after the date determined in **c.(1)(a)** above.

However, Extended Business Income does not apply to loss of "Business Income" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Business Income" must be caused by direct "loss" at the "premises" caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this Coverage Part, we will pay for the actual loss of "Rental Value" you sustain during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
 - (i)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct "loss" had occurred; or

- (ii)** 60 consecutive days after the date determined in **c.(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" sustained as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the "premises" are located.

Loss of "Rental Value" must be caused by direct "loss" at the described "premises" caused by or resulting from any Covered Cause of Loss.

d. Interruption of Computer Operations

- (1)** Subject to all provisions of this Additional Coverage - **Interruption of Computer Operations**, you may extend the insurance that applies to "Business Income" and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss. This Additional Coverage - **Interruption of Computer Operations** does not apply when "loss" to "electronic data" only involves "loss" to "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (2)** 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 an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (3)** The most we will pay under this Additional Coverage - **Interruption of Computer Operations** is \$2,500 for all "loss" sustained and expense sustained in any "coverage term", regardless of the number of interruptions or the number of "premises", locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this

amount, then the balance is available for "loss" or expense sustained as a result of subsequent interruptions in that "coverage term". A balance remaining at the end of a "coverage term" does not increase the amount of insurance in the next "coverage term". With respect to any interruption which begins in one "coverage term" and continues or results in additional "loss" or expense in that subsequent "coverage term", all "loss" and expense is deemed to be sustained in the "coverage term" in which the interruption began.

- (4) This Additional Coverage - **Interruption in Computer Operations** does not apply to "loss" sustained or expense sustained after the end of the "period of restoration", even if the amount of insurance stated in Paragraph **d.(3)** of this Additional Coverage has not been exhausted.

e. Ingress and Egress

We will pay for the actual loss of "Business Income" you sustain and necessary Extra Expense you sustain caused by the prevention of existing ingress or egress at a "premises" shown in the Declarations due to direct "loss" by a Covered Cause of Loss at a location contiguous to such "premises". However, coverage does not apply if ingress or egress from the "premises" is prohibited by civil authority.

Ingress and egress coverage for "Business Income" will begin immediately after the time of the direct "loss" and will continue for a period up to 30 consecutive days.

Ingress and egress coverage for Extra Expense will begin at time of the direct "loss" and will continue for 30 consecutive days or whenever your Ingress and Egress "business income" coverage ends, whichever occurs first.

6. Coverage Extension

The limit applicable to the Coverage Extension is in addition to the Limit of Insurance. **SECTION D. ADDITIONAL CONDITION, 1. Coinsurance** does not apply to this Coverage Extension.

Newly Purchased or Leased Locations

- a. You may extend your "Business Income" and Extra Expense coverages to apply to property located at:
- (1) New buildings or additions while being built on a "premises";

- (2) Buildings you newly purchase or become required to insure by written contract; or
- (3) Leased buildings or space therein that you are not required to insure. Such lease must be for a period of 12 consecutive months or longer.

This does not apply to property situated at trade shows, fairs or exhibitions.

- b. The most we will pay in total for "Business Income" and Extra Expense "loss" under this Coverage Extension is \$100,000 at each location described in Paragraph **6.a**.
- c. Insurance under this Coverage Extension will end when any of the following first occurs:
- (1) This policy expires;
- (2) 90 days pass from the date you begin construction on that part of the building that would qualify as Covered Property;
- (3) 90 days pass from the date you purchase, lease, or become contractually required to insure property described in Paragraphs **6.a.(2)** and **(3)**; or
- (4) You report values to us when you acquire your new building or business personal property.

We will charge you additional premium for values reported from the date you purchase or lease the property or begin construction on that part of the building that would qualify as Covered Property.

SECTION B. LIMITS OF INSURANCE

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

SECTION C. LOSS CONDITIONS

The following conditions apply in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

1. Appraisal

If we and you disagree on the amount of "Business Income" or Extra Expense "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 separate-

ly the amount of "Business Income" or Extra Expense "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.

2. Duties in the Event of Loss

- a. You must see that the following are done in the event you have a "Business Income" or Extra Expense "loss":

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct "loss". Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct "loss" 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" 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) As often as may be reasonably required, permit us to inspect the property proving the "loss" 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.

- (6) 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.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) 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.

3. Loss Determination

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

- (1) The Net Income of the business before the direct "loss" occurred;
- (2) The likely Net Income of the business if no direct "loss" 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 "loss"; 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 sustained by "operations" during the "period of restoration" if no direct "loss" 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 "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.

4. Loss Payment

We will pay for insured "loss" 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:

- a. We have reached agreement with you on the amount of "loss"; or
- b. An appraisal award has been made.

SECTION D. ADDITIONAL CONDITION

1. Coinurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the **COMMON POLICY CONDITIONS** and the **COMMERCIAL PROPERTY CONDITIONS**.

We will not pay the full amount of any "Business Income" "loss" if the Limit of Insurance for "Business Income" is less than:

- a. The Coinsurance percentage shown for "Business Income" in the Declarations; times
- b. The sum of:
- (1) The Net Income (Net Profit or Loss before income taxes), and
- (2) Operating expenses, including payroll expenses,

that would have been earned or incurred (had no direct "loss" occurred) by your "operations" at the "premises" for the 12 months following the inception, or last previous anniversary date, of this Coverage Part (whichever is later).

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

1. Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this Coverage Part by the Coinsurance percentage;
2. Divide the Limit of Insurance for the described "premises" by the figure determined in Step 1.; and
3. Multiply the total amount of "loss" by the figure determined in Step 2.

We will pay the amount determined in Step 3. 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.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

1. Prepaid freight - outgoing;
2. Returns and allowances;
3. Discounts;
4. Bad debts;
5. Collection expenses;
6. Cost of raw stock and factory supplies consumed (including transportation charges);
7. Cost of merchandise sold (including transportation charges);
8. Cost of other supplies consumed (including transportation charges);
9. Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
10. Power, heat and refrigeration expenses that do not continue under contract (if Form **CP 15 11** is attached);
11. All payroll expenses or the amount of payroll expense excludable (if Form **FA 465** is attached); and
12. Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

Example No. 1 (Underinsurance):

When: The Net Income and operating expenses for the 12 months follow-

ing the inception, or last previous anniversary date of this Coverage Part at "premises" would have been \$400,000.

The Coinsurance percentage is 50%

The Limit of Insurance Is \$150,000

"Business Income" "loss" is \$80,000

Step 1: $\$400,000 \times 50\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step 2: $\$150,000 \div \$200,000 = .75$

Step 3: $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

Example No. 2 (Adequate Insurance):

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date of this Coverage Part at the "premises" would have been \$400,000.

The Coinsurance percentage is 50%

The Limit of Insurance Is \$200,000

"Business Income" "loss" is \$80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of "loss").

This condition does not apply to Extra Expense.

SECTION E. OPTIONAL COVERAGES

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

1. Maximum Period of Indemnity

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay in total for "Business Income" and Extra Expense "loss" is the lesser of:

- (1) The amount of "Business Income" and Extra Expense "loss" sustained during the 120 days immediately following the beginning of the "period of restoration"; or

- (2) The Limit of Insurance shown in the Declarations.

2. Monthly Limit of Indemnity

a. **SECTION D. ADDITIONAL CONDITIONS, 1. Coinsurance** does not apply to this Coverage Part at the "premises" to which this Optional Coverage applies.

b. The most we will pay for "Business Income" "loss" in each period of 30 consecutive days after the beginning of the "period of restoration" is:

- (1) The Limit of Insurance; multiplied by

- (2) The fraction shown in the Declarations for this Optional Coverage.

Example:

When: The "Business Income" Limit of Insurance is \$120,000

The fraction shown in the Declarations for this Optional Coverage is 1/4

The most we will pay for "loss" in each period of 30 consecutive days is: $\$120,000 \times 1/4 = \$30,000$.

If, in this example, the actual amount of "Business Income" "loss" is:

Days	1-30	\$40,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$90,000</u>

We will pay:

Days	1-30	\$30,000
Days	31-60	20,000
Days	61-90	30,000
		<u>\$80,000</u>

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

a. To activate this Optional Coverage:

(1) A Business Income Report/Work Sheet must be on file with the Company and must show financial data for your "operations":

(a) During the 12 months prior to the date of the Work Sheet; and

(b) Estimated for the 12 months immediately following the inception of this Optional Coverage.

(2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies. The "Business Income" Limit of Insurance indicated on the Declarations should

be at least equal to the Agreed Value, which is determined by:

- (a) The Coinsurance percentage shown in the Declarations; multiplied by
- (b) The amount of Net Income and Operating Expenses for the following 12 months you report on the Work Sheet.

b. Except as noted in c. below, the **ADDITIONAL CONDITION Coinsurance** is suspended until the expiration date of this Coverage Part.

c. We will reinstate the **ADDITIONAL CONDITION Coinsurance** automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) When you request a change in your "Business Income" Limit of Insurance; or
- (2) When you request the coinsurance percentage be changed on the Work Sheet.

d. If the "Business Income" Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The "Business Income" Limit of Insurance; divided by
- (2) The Agreed Value.

Example:

When: The Limit of Insurance is \$100,000

The Agreed Value is \$200,000

"Business Income" "loss" is \$80,000

Step (a): $\$100,000 \div \$200,000 = .50$

Step (b): $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period of Indemnity

In **SECTION A. COVERAGE, 5. Additional Coverages, c. Extended Business Income**, the number "60" in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

SECTION F. DEFINITIONS

1. "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 sustained, including payroll.

2. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

3. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 A.M. standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 A.M. standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the policy period shown in the Declarations ends; or
- (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.

- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".

4. "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.

5. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a coinsurance percentage shown for "Business Income" in the Declarations.

"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.

6. "Loss" means accidental physical loss or accidental physical damage.
7. "Operations" means:
 - a. Your business activities occurring at the "premises"; and
 - b. The tenantability of the "premises", if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
8. "Period of restoration" means the period of time that:
 - a. Begins at the time of direct "loss".
 - b. Ends on the earlier of:
 - (1) The date when the property at the "premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.
 - c. "Period of restoration" does not include any increased period required due to the enforcement of or compliance with any ordinance or law that:
 - (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".
 - d. The expiration date of the Coverage Part will not cut short the "period of restoration".
9. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, asbestos, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
 - a. You are regularly or otherwise engaged in activities which taint or degrade the environment; or
 - b. You use, generate or produce the "pollutant".
10. "Premises" means the Locations and Buildings described in the Declarations.
11. "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 "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.
12. "Suspension" means:
 - a. The slowdown or cessation of your business activities; and
 - b. That a part or all of the "premises" is rendered untenable if coverage for "Business Income" including "Rental Value" or "Rental Value" applies.
13. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, card index systems, deeds, drawings, films, maps, mortgages, or proprietary information. But "valuable papers and records" does not mean "money" or "securities" or "electronic data", including the materials on which the "electronic data" is recorded.

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

**COMMERCIAL GENERAL LIABILITY COVERAGE
PART DECLARATIONS**

Attached to and forming part of POLICY NUMBER: ETD 053 03 98

Named Insured is the same as it appears in the Common Policy Declarations

LIMITS OF INSURANCE

EACH OCCURRENCE LIMIT	\$ 1,000,000	
GENERAL AGGREGATE LIMIT	\$ 2,000,000	
PRODUCTS-COMPLETED OPERATIONS AGGREGATE LIMIT	\$ 2,000,000	
PERSONAL & ADVERTISING INJURY LIMIT	\$ 1,000,000	ANY ONE PERSON OR ORGANIZATION
DAMAGE TO PREMISES RENTED TO YOU LIMIT		ANY ONE
\$100,000 limit unless otherwise indicated herein:	\$ SEE GA252	PREMISES
MEDICAL EXPENSE LIMIT		
\$5,000 limit unless otherwise indicated herein:	\$ SEE GA252	ANY ONE PERSON

CLASSIFICATION	CODE NO.	PREMIUM BASE	RATE		ADVANCE PREMIUM	
			Products / Completed Operations	All Other	Products / Completed Operations	All Other
LOC. 1 - TN SCHOOLS - PUBLIC - ELEMENTARY INCL PROD AND/OR COMP OP	47471	E465 EACH		6.937		3,226
LOC. 2 - TN SCHOOLS - PUBLIC - HIGH INCL PROD AND/OR COMP OP	47473	E405 EACH		9.708		3,932
SCHOOLS, GRADES K-12 (WITHOUT OVERNIGHT ACCOMMODATIONS)	20028	E870 STUDENTS		2.32		2,018
EDUCATIONAL INSTITUTIONS COMMERCIAL GENERAL LIABILITY ENDORSEMENT	20293					750
BI EXCEPTIONS TO POLLUTANT EXCLUSION	20410			2%		143
ADDITIONAL INSURED	29938					70

The General Liability Coverage Part is subject to an annual minimum premium.

TOTAL ANNUAL PREMIUM \$ 8,121

FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:

GA101 12/04 COMMERCIAL GENERAL LIABILITY COVERAGE FORM

FORMS AND / OR ENDORSEMENTS APPLICABLE TO COMMERCIAL GENERAL LIABILITY COVERAGE PART:

GA4251	01/06	NOTICE TO POLICYHOLDERS - MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS
CG2011	04/13	ADDITIONAL INSURED - MANAGERS OR LESSORS OF PREMISES
CG2116	04/13	EXCLUSION - DESIGNATED PROFESSIONAL SERVICES
CG2132	05/09	COMMUNICABLE DISEASE EXCLUSION
GA252	09/17	EDUCATIONAL INSTITUTIONS COMMERCIAL GENERAL LIABILITY ENDORSEMENT
GA263	07/12	EDUCATIONAL INSTITUTIONS' SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIABILITY
GA3024	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
GA3059	05/19	EXCLUSION - NEURODEGENERATIVE INJURY
GA4250	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS
GA478	12/04	BODILY INJURY EXCEPTIONS TO POLLUTANT EXCLUSION

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

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

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; **SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
 - (2) The "bodily injury" or "property damage" occurs during the policy period; and
 - (3) Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, you did not know, per Paragraph **1.d.** below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part.
- c. "Bodily injury" or "property damage" which:
- (1) Occurs during the "coverage term"; and
 - (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have occurred;
- includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
- d. You will be deemed to know that "bodily injury" or "property damage" has occurred at the earliest time when any "authorized representative":
- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
 - (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
 - (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
 - (5) Becomes aware, or reasonably should have become aware, of a

condition from which "bodily injury" or "property damage" is substantially certain to occur.

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

2. Exclusions

This insurance does not apply to:

a. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

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

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. When a claim for such "bodily injury" or "property damage" is made, we will defend that claim provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

c. Liquor Liability

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

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

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

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

d. Workers' Compensation and Similar Laws

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

e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured sustained in the "workplace";
- (2) An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

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

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

f. Pollutant

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, Paragraph (a) does not apply to:

- 1) "Bodily injury" to any person injured while on any premises, site or location owned or occupied by, or rented or loaned to, you provided:

- a) The injury is caused by the inadequate ventilation of vapors;
- b) The person injured is first exposed to such vapors during the policy period; and
- c) Within 30 days of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph **c)** does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

This exception **1)** shall apply only to Named Insureds; we shall have no duty to defend or pay damages for any person or organization that is not a Named Insured. However, this paragraph does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

For the purpose of the exception granted in Paragraph **1)** only, vapors means any gaseous or airborne irritant or airborne contaminant, including smoke, fumes, vapor or soot, but excluding asbestos, which is discharged, dispersed, emitted, released or escapes from materials, machinery or equipment used in the service or maintenance of the premises. Vapors does not mean any gaseous or

airborne irritants or contaminants used in a manufacturing process or which is the product or by-product of any manufacturing process;

- 2) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to this Coverage Part as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
 - 1) Any insured; or
 - 2) Any person or organization for whom you may be legally responsible;
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, Paragraph **(d)** does not apply to:
 - 1) "Bodily injury" or "property damage" arising out of the discharge, dispersal, seepage, migration, release, es-

cape or emission of fuels, lubricants or other operating fluids, or exhaust gases, which are needed to perform, or are the result of, the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids, or exhaust gases, escape, seep or migrate, or are discharged, dispersed, released or emitted with the intent to cause "bodily injury" or "property damage" or with the knowledge that "bodily injury" or "property damage" is substantially certain to occur, or if such fuels, lubricants or other operating fluids, or exhaust gases, are brought on or to the premises, site or location with such intent to escape, seep or migrate, or be discharged, dispersed, released or emitted as part of the operations being performed by such insured, contractor or subcontractor;

- 2) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- 3) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or
- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the op-

erations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

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

However, Paragraphs (2)(a) and (b) do not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto or Watercraft

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

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

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and

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

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

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

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

h. Mobile Equipment

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

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

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

i. War

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

(1) War, including undeclared or civil war;

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

(3) Insurrection, rebellion, revolution, usurped power, or action taken by

governmental authority in hindering or defending against any of these.

j. Damage to Property

"Property damage" to:

(1) Property you own, rent or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;

(2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;

(3) Property loaned to you;

(4) Personal property in the care, custody or control of an insured;

(5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

(6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs **(1)**, **(3)** and **(4)** of this exclusion do not apply to "property damage" (other than damage by fire or explosion) to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days, for which the amount we will pay is limited to the Damage To Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

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

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

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

k. Damage to Your Product

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

I. Damage to Your Work

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

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

m. Damage to Impaired Property or Property Not Physically Injured

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

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

n. Recall of Products, Work or Impaired Property

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

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

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

o. Personal and Advertising Injury

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

p. Asbestos

"Bodily injury" or "property damage" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

q. Employment-Related Practices

"Bodily injury" to:

(1) A person arising out of any:

- (a) Refusal to employ that person;
- (b) Termination of that person's employment; or
- (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or

(2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

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

r. Additional Insured Prior Knowledge

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, prior to the "coverage term" in which such "bodily injury" or "property damage" occurs or begins to occur.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that "bodily injury" or "property damage" has occurred or has begun to occur at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage";
- (3) First observes, or reasonably should have first observed, the "bodily injury" or "property damage";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "bodily injury" or "property damage" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury" or "property damage" is substantially certain to occur.

s. Electronic Data

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

t. Distribution of Material in Violation of Statutes

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

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Exclusions **c.** through **q.** do not apply to "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the Damage to Premises Rented To You Limit as described in **SECTION III - LIMITS OF INSURANCE**.

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement

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

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY; SECTION I - COVERAGES, COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**; or medical expenses under **SECTION I - COVERAGES, COVERAGE C. MEDICAL PAYMENTS**.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B**.

- b. This insurance applies to "personal and advertising injury" only if:
 - (1) The "personal and advertising injury" is caused by an offense arising out of your business; and
 - (2) The "personal and advertising injury" offense was committed in the "coverage territory" during the policy period; and
 - (3) Prior to the "coverage term" in which the "personal and advertising injury" offense is committed, you did not know, per Paragraph **1.d.** below, that the offense had been committed or had begun to be committed, in whole or in part.
- c. "Personal and advertising injury" caused by an offense which:
 - (1) Was committed during the "coverage term"; and

- (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have been committed;

includes any continuation, change or resumption of that offense after the end of the "coverage term" in which it first became known by you.

- d. You will be deemed to know that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means, other than as described in (3) above, that the offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

2. Exclusions

This insurance does not apply to:

a. Knowing Violation of Rights of Another

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

b. Material Published With Knowledge of Falsity

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

c. Material Published Prior to Coverage Term

"Personal and advertising injury" arising out of oral or written publication of material whose first publication took place before the later of the following:

- (1) The inception of this Coverage Part; or
- (2) The "coverage term" in which insurance coverage is sought.

d. Criminal Acts

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

e. Contractual Liability

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

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "personal and advertising injury" is caused by or arises out of an offense committed subsequent to the execution of the contract or agreement. When a claim for such "personal and advertising injury" is made, we will defend that claim, provided the insured has assumed the obligation to defend such claim in the "insured contract". Such defense payments will not reduce the limits of insurance.

f. Breach of Contract

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

g. Quality or Performance of Goods - Failure to Conform to Statements

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

h. Wrong Description of Prices

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

i. Infringement of Copyright, Patent, Trademark or Trade Secret

"Personal and advertising injury" arising out of the infringement of copyright, pat-

ent, trademark, trade secret or other intellectual property rights.

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

j. Insureds in Media and Internet Type Businesses

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

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **17. a., b. and c.** of "personal and advertising injury" under **SECTION V - DEFINITIONS.**

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

k. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board any insured hosts, owns, or over which any insured exercises control.

l. Unauthorized Use of Another's Name or Product

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

m. Employment Related Practices

"Personal and advertising injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation

or discrimination directed at that person; or

- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(a), (b) or (c)** above is directed.

This exclusion applies:

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

n. Pollutant

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

o. Pollutant-Related

Any loss, cost or expense arising out of any:

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

p. Asbestos

"Personal and advertising injury" arising out of, attributable to, or any way related to asbestos in any form or transmitted in any manner.

q. Additional Insured Prior Knowledge

An additional insured added by attachment of an endorsement to this Coverage Part that is seeking coverage for a claim or "suit", if that additional insured knew, per the following paragraph, that a "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part, prior to the "coverage term" in which such offense

was committed or began to be committed.

An additional insured added by attachment of an endorsement to this Coverage Part will be deemed to have known that a "personal and advertising injury" offense has been committed or has begun to be committed at the earliest time when that additional insured, or any one of its owners, members, partners, managers, executive officers, "employees" assigned to manage that additional insured's insurance program, or "employees" assigned to give or receive notice of an "occurrence", "personal and advertising injury" offense, claim or "suit":

- (1) Reports all, or any part, of the "personal and advertising injury" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "personal and advertising injury";
- (3) First observes, or reasonably should have first observed, the offense that caused the "personal and advertising injury";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that the "personal and advertising injury" offense had been committed or had begun to be committed; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "personal and advertising injury" is substantially certain to occur.

r. War

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

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

s. Distribution of Material in Violation of Statutes

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

COVERAGE C. MEDICAL PAYMENTS

1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
- (2) On ways next to premises you own or rent; or
- (3) Because of your operations;

provided that:

- (1) The accident takes place in the "coverage territory" and during the policy period;
- (2) The expenses are incurred and reported to us within three years of the date of the accident; and
- (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

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

2. Exclusions

We will not pay expenses for "bodily injury":

a. Any Insured

To any insured, except "volunteer workers".

b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

c. Injury on Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers' Compensation and Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletic Activities

To any person injured while officiating, coaching, practicing for, instructing or participating in any physical exercises or games, sports, or athletic contests or exhibitions of an athletic or sports nature.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**.

SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

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

1. All expenses we incur.
2. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
3. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
4. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.

5. All costs taxed against the insured in the "suit".
6. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable limit of insurance. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
7. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

SECTION II - WHO IS AN INSURED

1. If you are designated in the Declarations as:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
 - a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by

you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

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

- (a)** To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b)** To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph **(1)(a)** above;
- (c)** For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d)** Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a)** Owned, occupied or used by; or
- (b)** Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by,

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

- b.** Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c.** Any person or organization having proper temporary custody of your property if you die, but only:
 - (1)** With respect to liability arising out of the maintenance or use of that property; and
 - (2)** Until your legal representative has been appointed.

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

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

- a.** Insurance under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

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

SECTION III - LIMITS OF INSURANCE

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

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

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

- (1) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;**
- (2) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and**
- (3) Damages under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**.**

This General Aggregate Limit will not apply if either the Location General Aggregate

- gate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.
- b. A separate Location General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each location owned by, or rented or leased to you and is the most we will pay for the sum of:
- (1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - (2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**,
- which can be attributed to operations at only a single location owned by, or rented or leased to you.
- c. A separate Construction Project General Aggregate Limit of Insurance, equal to the amount of the General Aggregate Limit shown in the Declarations, shall apply to each construction project and is the most we will pay for the sum of:
- (1) Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
 - (2) Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;
- which can be attributed only to ongoing operations and only at a single construction project.
- d. Only for the purpose of determining which General Aggregate Limit of Insurance, **2.a.**, **2.b.**, or **2.c.**, applies:
- (1) Location means premises involving the same or connecting lots, or premises, whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
 - (2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on

your behalf at the same location for the same persons or organizations, no matter how often or under how many different contracts, will be deemed to be a single construction project.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to **2.a.** above, the Personal and Advertising Injury Limit is the most we will pay under **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
 - a. Damages under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**; and
 - b. Medical expenses under **COVERAGE C. MEDICAL PAYMENTS**;

because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to **5.** above, the Damage to Premises Rented to You Limit is the most we will pay under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire or explosion, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under **COVERAGE C. MEDICAL PAYMENTS** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS

1. Bankruptcy

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

2. Duties in the Event of Occurrence, Offense, Claim or Suit

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or

a "personal and advertising injury" offense which may result in a claim. To the extent possible, notice should include:

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

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

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

c. You and any other involved insured must:

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

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

3. Legal Action Against Us

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

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

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable

under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

5. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** of this Coverage Part, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary except when **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **c.** below.

b. Excess Insurance

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
 - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar insurance for "your work";
 - (b) That is Fire or Explosion insurance for premises rented to you or temporarily occupied by you with permission of the owner;
 - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to

premises rented to you or temporarily occupied by you with permission of the owner; or

- (d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to **SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft.**
- (2) Any other primary insurance available to the insured covering liability for damages arising out of the premises or operations, or the products and completed operations, for which the insured has been added as an additional insured by attachment of an endorsement.
- (3) Any other insurance:
 - (a) Whether primary, excess, contingent or on any other basis, except when such insurance is written specifically to be excess over this insurance; and
 - (b) That is a consolidated (wrap-up) insurance program which has been provided by the prime contractor/project manager or owner of the consolidated project in which you are involved.

When this insurance is excess, we will have no duty under **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** or **COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance

shown in the Declarations of this Coverage Part.

c. Method of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

6. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If:
 - (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
 - (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

7. Representations

By accepting this Coverage Part, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this Coverage Part in reliance upon your representations.

8. Separation of Insureds

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

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

9. Transfer of Rights of Recovery Against Others to Us

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

10. Two or More Coverage Forms or Policies Issued by Us

If this Coverage Part and any other Coverage Form, Coverage Part or policy issued to you by us or any company affiliated with us apply to the same "occurrence" or "personal and advertising injury" offense, the aggregate maximum limit of insurance under all the Coverage Forms, Coverage Parts or policies shall not exceed the highest applicable limit of insurance under any one Coverage Form, Coverage Part or policy. This condition does not apply to any Coverage Form, Coverage Part or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Part.

11. When We Do Not Renew

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

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

SECTION V - DEFINITIONS

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

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

2. "Authorized representative" means:

- a. If you are designated in the Declarations as:

- (1) An individual, you and your spouse are "authorized representatives".

- (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".

- (3) A limited liability company, your members and your managers are "authorized representatives".

- (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".

- (5) A trust, your trustees are "authorized representatives".

- b. Your "employees":

- (1) Assigned to manage your insurance program; or

- (2) Responsible for giving or receiving notice of an "occurrence", "personal and advertising injury" offense, claim or "suit";

are also "authorized representatives".

3. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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

5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at

- 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
- (1) The day the policy period shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means:
- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
 - c. All other parts of the world if the injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in a. above;
 - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
 - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication,

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement to which we agree.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
10. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement;
- if such property can be restored to use by:
- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
- Paragraph f. does not include that part of any contract or agreement:
- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any rail-

road property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

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

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

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

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

- (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;

- (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;

- (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search

engines; marketing analysis; and providing access to the Internet or other similar networks; or

- (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above.

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

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

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

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

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

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or
 - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to

permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a., b., c. or d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

- 16. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 17. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False arrest, detention or imprisonment;
 - b. Malicious prosecution;
 - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

18. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
- b. The insured uses, generates or produces the "pollutant".

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
 - (a) When all of the work called for in your contract has been completed; or
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site; or
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

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

- (1)** The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2)** The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3)** Products or operations for which the classification, listed in the Declarations or in a schedule, states that products-completed operations are included.

20. "Property damage" means:

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

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

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

- a.** An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
- b.** Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c.** An appeal of a civil proceeding.

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

23. "Volunteer worker" means a person who is not your "employee", and who donates his or

her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

24. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".

25. "Your product":

a. Means:

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

- (a)** You;
- (b)** Others trading under your name; or
- (c)** A person or organization whose business or assets you have acquired; and

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

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2)** The providing of or failure to provide warnings or instructions.

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

26. "Your work":

a. Means:

- (1)** Work or operations performed by you or on your behalf; and
- (2)** Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2)** The providing of or failure to provide warnings or instructions.

NUCLEAR ENERGY LIABILITY EXCLUSION

(Broad Form)

1. The insurance does not apply:

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

(1) With respect to which an insured under this Coverage Part is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which **(a)** any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or **(b)** the insured is, or had this Coverage Part not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

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

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

(1) The "nuclear material" **(a)** is at any "nuclear facility" owned by, or operated by or on behalf of, an insured, or **(b)** has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by

an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion **(3)** applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this exclusion:

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

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

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

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

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

"Nuclear facility" means:

A. Any "nuclear reactor";

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

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

D. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

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

NOTICE TO POLICYHOLDERS - MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS

This is a notice of a change in your policy. NO COVERAGE IS PROVIDED BY THIS NOTICE nor can it be construed to replace any provisions of your policy. YOU SHOULD READ YOUR POLICY AND REVIEW YOUR DECLARATIONS PAGE for complete information on the coverage you are provided. If there is any conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GA 4250 Mobile Equipment Subject to Motor Vehicle Insurance Laws has been added to your policy.

This endorsement revises the definitions of "mobile equipment" and "auto" to those definitions used prior to the introduction of Commercial General Liability Form, **GA 101 12 04**. This endorsement only applies if you have no Auto Coverage Form in force or the land vehicle does not meet the definition of auto in your Auto Coverage Form.

POLICY NUMBER: ETD 053 03 98

COMMERCIAL GENERAL LIABILITY
CG 20 11 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - MANAGERS OR
LESSORS OF PREMISES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE**Designation Of Premises (Part Leased To You):**5432 BELL FORGE LN E
ANTIOCH, TN 37013-2322**Name Of Person(s) Or Organization(s) (Additional Insured):**LAKESHORE CHRISTIAN CHURCH
5432 BELL FORGE LN E
ANTIOCH, TN 37013**Additional Premium:\$INCL**

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

- A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or

agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: ETD 053 03 98

COMMERCIAL GENERAL LIABILITY
CG 20 11 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - MANAGERS OR
LESSORS OF PREMISES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE**Designation Of Premises (Part Leased To You):**5221 HICKORY HOLLOW PKWY
ANTIOCH, TN 37013**Name Of Person(s) Or Organization(s) (Additional Insured):**CSDCPC INTREPID LLC
800 S GAY ST STE 2021
KNOXVILLE, TN 37929**Additional Premium:**\$INCL

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

- A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you and shown in the Schedule and subject to the following additional exclusions:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to be a tenant in that premises.
2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or

agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: ETD 053 03 98

COMMERCIAL GENERAL LIABILITY
CG 21 16 04 13**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EXCLUSION - DESIGNATED PROFESSIONAL SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Description Of Professional Services
1. EDUCATORS LEGAL LIABILITY
2. SCHOOL ADMINISTRATORS LEGAL LIABILITY
3.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional service.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

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

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

- a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b.** Testing for a communicable disease;
- c.** Failure to prevent the spread of the disease; or
- d.** Failure to report the disease to authorities.

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

2. Exclusions

This insurance does not apply to:

Communicable Disease

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

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

- a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b.** Testing for a communicable disease;
- c.** Failure to prevent the spread of the disease; or
- d.** Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS COMMERCIAL GENERAL
LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Endorsement - Table of Contents:

Coverage:	Begins on Page
1. Employee Benefit Liability Coverage	3
2. Unintentional Failure To Disclose Hazards	9
3. Damage to Premises Rented to You	9
4. Supplementary Payments	10
5. Medical Payments	10
6. Newly Formed Or Acquired Organizations	10
7. Waiver Of Subrogation	10
8. Automatic Additional Insured By Contract, Permit Or Agreement	11
9. Property Damage To Borrowed Equipment	12
10. Broadened Who Is An Insured	12
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12. Aircraft, Auto, Or Watercraft Exclusion Revision	13
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21. Mobile Equipment Redefined	21

B. Limits Of Insurance:

The Commercial General Liability Limits of Insurance apply to the insurance provided by this endorsement, except as provided below:

1. Employee Benefit Liability Coverage

Each Employee Limit: \$1,000,000
Aggregate Limit: \$3,000,000
Deductible Amount: \$ 1,000

3. Damage To Premises Rented To You

The lesser of:

- a. The Each Occurrence Limit shown in the Declarations; or
- b. \$500,000 unless otherwise stated \$ _____

4. Supplementary Payments

- a. Bail Bonds: \$2,500
- b. Loss Of Earnings: \$ 750

5. Medical Payments

Medical Expense Limit: \$ 10,000

9. Property Damage To Borrowed Equipment

Each Occurrence Limit: \$10,000
Deductible Amount: \$ 250

16. Pollution Exception - Classrooms

Each Occurrence Limit: \$50,000
Deductible Amount: \$ 250

C. Coverages

1. Employee Benefit Liability Coverage

- a. The following is added to **Section I - Coverages**:

Employee Benefit Liability Coverage

(1) Insuring Agreement

- (a) We will pay those sums that the insured becomes legally obligated to pay as damages caused by any act, error or omission of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

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

- (b) This insurance applies to damages only if the act, error or omission, is negligently committed in the "administration" of your "employee benefit program"; and

- 1) Occurs during the policy period; or

- 2) Occurred prior to the "first effective date" of this endorsement provided:

- a) You did not have knowledge of a claim or "suit" on or before the "first effective date" of this endorsement.

You will be deemed to have knowledge of a claim or "suit" when any "authorized representative";

- i) Reports all, or any part, of the act, error or omission to us or any other insurer;
 - ii) Receives a written or verbal demand or claim for damages because of the act, error or omission; and
- b) There is no other applicable insurance.

(2) Exclusions

This insurance does not apply to:

- (a) **Bodily Injury, Property Damage Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

- (b) **Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

(c) Failure To Perform A Contract

Damages arising out of failure of performance of contract by any insurer.

(d) Insufficiency Of Funds

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

(e) Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation

Any claim based upon:

- 1) Failure of any investment to perform;
- 2) Errors in providing information on past performance of investment vehicles; or
- 3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

(f) Workers' Compensation And Similar Laws

Any claim arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

(g) ERISA

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

(h) Available Benefits

Any claim for benefits to the extent that such benefits are available, with reasonable

effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

(i) Taxes, Fines Or Penalties

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

(j) Employment-Related Practices

Any liability arising out of any:

- 1) Refusal to employ;
- 2) Termination of employment;
- 3) Coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or other employment-related practices, acts or omissions; or
- 4) Consequential liability as a result of 1), 2) or 3) above.

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

(3) Supplementary Payments

Section I - Coverages, Supplementary Payments - Coverages A And B also apply to this Coverage.

b. Who Is An Insured

As respects **Employee Benefit Liability Coverage, Section II - Who Is An Insured** is replaced by the following:

- (1) If you are designated in the Declarations as:
 - (a) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.

- (b) A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds but only with respect to the conduct of your business.
 - (c) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - (d) An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
 - (e) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
- (2) Each of the following is also an insured:
- (a) Each of your "employees" who is or was authorized to administer your "employee benefit program".
 - (b) Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.
 - (c) Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
- (3) Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or ma-

jority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However, coverage under this provision:

- (a) Is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier; and
- (b) Does not apply to any act, error or omission that was committed before you acquired or formed the organization.

c. Limits Of Insurance

As respects **Employee Benefit Liability Coverage, Section III - Limits Of Insurance** is replaced by the following:

- (1) The Limits of Insurance shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** and the rules below fix the most we will pay regardless of the number of:
 - (a) Insureds;
 - (b) Claims made or "suits" brought;
 - (c) Persons or organizations making claims or bringing "suits";
 - (d) Acts, errors or omissions; or
 - (e) Benefits included in your "employee benefit program".
- (2) The Aggregate Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- (3) Subject to the limit described in (2) above, the Each Employee Limit shown in Section **B. Limits Of Insurance, 1. Employee Benefit Liability Coverage** of this endorsement is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

- (a) An act, error or omission; or
- (b) A series of related acts, errors or omissions, regardless of the amount of time that lapses between such acts, errors or omissions;

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

(4) Deductible Amount

- (a) Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the Deductible Amount stated in the Declarations as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- (b) The Deductible Amount stated in the Declarations applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- (c) The terms of this insurance, including those with respect to:
 - 1) Our right and duty to defend the insured against any "suits" seeking those damages; and
 - 2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or claim,

apply irrespective of the application of the Deductible Amount.
- (d) We may pay any part or all of the Deductible Amount to

effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible Amount as we have paid.

d. Additional Conditions

As respects **Employee Benefit Liability Coverage, Section IV - Commercial General Liability Conditions** is amended as follows:

- (1) Item **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** is replaced by the following:

2. Duties In The Event Of An Act, Error Or Omission, Or Claim Or Suit

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

- (1) What the act, error or omission was and when it occurred; and
- (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

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

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

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

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices,

summonses or legal papers received in connection with the claim or "suit";

- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

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

- (2) Item **5. Other Insurance** is replaced by the following:

5. Other Insurance

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

a. Primary Insurance

This insurance is primary except when **c.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in **b.** below.

b. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

c. No Coverage

This insurance shall not cover any loss for which the insured is entitled to recovery under any other insurance in force previous to the effective date of this Coverage Part.

e. Additional Definitions

As respects **Employee Benefit Liability Coverage, Section V - Definitions** is amended as follows:

- (1) The following definitions are added:

1. "Administration" means:

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Interpreting the "employee benefit programs";
- c. Handling records in connection with the "employee benefit programs"; or

- d. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include:

- a. Handling payroll deductions; or
 - b. The failure to effect or maintain any insurance or adequate limits of coverage of insurance, including but not limited to unemployment insurance, social security benefits, workers' compensation and disability benefits.
2. "Cafeteria plans" means plans authorized by applicable law to allow "employees" to elect to pay for certain benefits with pre-tax dollars.
3. "Employee benefit programs" means a program providing some of all of the following benefits to "employees", whether provided through a "cafeteria plan" or otherwise:
- a. Group life insurance; group accident or health insurance; dental, vision and hearing plans; and flexible spending accounts; provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;
 - b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all

"employees" who are eligible under the plan for such benefits;

- c. Unemployment insurance, social security benefits, workers' compensation and disability benefits; and
- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies.

4. "First effective date" means the date upon which coverage was first effected in a series of uninterrupted renewals of insurance coverage.

(2) The following definitions are deleted in their entirety and replaced by the following:

8. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
21. "Suit" means a civil proceeding in which money damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent;
 - b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
 - c. An appeal of a civil proceeding.

2. Unintentional Failure To Disclose Hazards

Section IV - Commercial General Liability Conditions, 7. Representations is amended by the addition of the following:

Based on our dependence upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of your policy, we will not reject coverage under this Coverage Part based solely on such failure.

3. Damage To Premises Rented To You

- a. The last Paragraph of **2. Exclusions** under **Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

Exclusions **c.** through **q.** do not apply to "property damage" by fire, explosion, lightning, smoke or soot to premises while rented to you or temporarily occupied by you with permission of the owner, for which the amount we will pay is limited to the **Damage To Premises Rented To You** Limit as described in **Section III - Limits Of Insurance**.

- b. The insurance provided under **Section I - Coverage A - Bodily Injury And Property Damage Liability** applies to "property damage" arising out of or caused by water damage to premises that are both rented to and occupied by you.

- c. As respects Water Damage Legal Liability, as provided in Paragraph **3.b.** above:

The exclusions under **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions**, other than **i. War** and the **Nuclear Energy Liability Exclusion (Broad Form)**, are deleted and the following are added:

This insurance does not apply to:

- (a) "Property damage":

- (i) Assumed in any contract or agreement; or
- (ii) Caused by or resulting from any of the following:
 - 1) Wear and tear;
 - 2) Rust or other corrosion, decay, de-

terioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

- 3) Smog;
- 4) Mechanical breakdown, including rupture or bursting caused by centrifugal force;
- 5) Settling, cracking, shrinking or expansion;
- 6) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals; or
- 7) Presence, growth, proliferation, spread or any activity of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.

- (b) "Property damage" caused directly or indirectly by any of the following:

- (i) Earthquake, volcanic eruption, landslide or any other earth movement;
- (ii) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
- (iii) Water under the ground surface pressing on, or flowing or seeping through:
 - 1) Foundations, walls, floors or paved surfaces;

- 2) Basements, whether paved or not; or
 - 3) Doors, windows or other openings.
- (c) "Property damage" caused by or resulting from water that leaks or flows from plumbing, heating, air conditioning, fire protection systems, or other equipment, caused by or resulting from freezing, unless:
- (i) You did your best to maintain heat in the building or structure; or
 - (ii) You drained the equipment and shut off the water supply if the heat was not maintained.
- (d) "Property damage" to:
- (i) Plumbing, heating, air conditioning, fire protection systems, or other equipment or appliances; or
 - (ii) The interior of any building or structure, or to personal property in the building or structure caused by or resulting from rain, snow, sleet or ice, whether driven by wind or not.

c. Limit Of Insurance

With respect to the insurance afforded in Paragraphs **3.a.** and **3.b.** above, the **Damage To Premises Rented To You** Limit as shown in the Declarations is amended as follows:

- (1) Paragraph **6.** of **Section III - Limits Of Insurance** is replaced by the following:
6. Subject to Paragraph **5.** above, the **Damage To Premises Rented To You** Limit is the most we will pay under **Coverage A - Bodily Injury And Property Damage Liability** for damages because of "property damage" to any one premises:
- a. While rented to you, or temporarily occupied by you with permission of the owner;

- b. In the case of damage by fire, explosion, lightning, smoke or soot, while rented to you; or
- c. In the case of damage by water, while rented to and occupied by you.

- (2) The most we will pay is limited as described in Section **B. Limits Of Insurance, 3. Damage To Premises Rented To You** of this endorsement.

4. Supplementary Payments

Under **Section I - Supplementary Payments - Coverages A And B:**

- a. Paragraph **2.** is replaced by the following:

Up to the limit shown in Section **B. Limits Of Insurance, 4.a.** Bail Bonds of this endorsement for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

- b. Paragraph **4.** is replaced by the following:

All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual daily loss of earnings up to the limit shown in Section **B. Limits Of Insurance, 4.b.** Loss Of Earnings of this endorsement per day because of time off from work.

5. Medical Payments

The Medical Expense Limit of Any One Person as stated in the Declarations is amended to the limit shown in Section **B. Limits Of Insurance, 5. Medical Payments** of this endorsement.

6. Newly Formed Or Acquired Organizations

Section II - Who Is An Insured, Paragraph **3.a.** is replaced by the following:

- a. Insurance under this provision is afforded only until the end of the policy period.

7. Waiver Of Subrogation

Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of

Recovery Against Others To Us is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization against whom you have agreed to waive such right of recovery in a written contract or agreement because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract or written agreement requiring such waiver with that person or organization and included in the "products-completed operations hazard". However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.

8. Automatic Additional Insured By Contract, Permit Or Agreement

a. The following is added to **Section II - Who Is An Insured:**

- (1)** Any person(s) or organization(s) whom you are required to add as an additional insured under this Coverage Part by reason of a written contract, written agreement, written permit or written authorization, provided:
 - (a)** The written contract, written agreement, written permit or written authorization is:
 - (i)** Currently in effect or becomes effective during the policy period; and
 - (ii)** Executed prior to an "occurrence" or offense to which this insurance would apply;
- (2)** They are not specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations.
- (3)** The insurance afforded to additional insureds described in Par-

agraph **8.a.(1)** of this endorsement:

- (a)** Only applies to the extent permitted by law; and
- (b)** Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and
- (c)** Does not apply to any person, organization, vendor, state, governmental agency or subdivision or political subdivision, specifically named as an additional insured under any other provision of, or endorsement added to, this Coverage Part, provided such other provision or endorsement covers the injury or damage for which this insurance applies.

b. With respect to the insurance afforded to the additional insureds described in Paragraph **8.a.(1) of this endorsement, the following is added to **Section III - Limits Of Insurance:****

The most we will pay on behalf of the additional insured is the amount of insurance:

- (1)** Required by the written contract, written agreement, written permit or written; or
- (2)** Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

c. **Section IV - Commercial General Liability Conditions is amended to include the following:**

Automatic Additional Insured Provision

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

- (1)** During the policy period; and

- (2) Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraph 8.a.(1).

9. Property Damage To Borrowed Equipment

- a. The following is added to **Exclusion 2.j. Damage To Property** under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

Paragraphs (3) and (4) of this exclusion do not apply to tools or equipment loaned to you, provided they are not being used to perform operations at the time of loss.

- b. With respect to the insurance provided by this section of the endorsement, the following additional provisions apply:

- (1) The Limits of Insurance shown in the Declarations are replaced by the limits designated in Section **B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement with respect to coverage provided by this endorsement. These limits are inclusive of and not in addition to the limits being replaced. The Limits of Insurance shown in Section **B. Limits Of Insurance, 9. Property Damage To Borrowed Equipment** of this endorsement fix the most we will pay in any one "occurrence" regardless of the number of:

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

(2) Deductible Clause

- (a) Our obligation to pay damages on your behalf applies only to the amount of damages for each "occurrence" which are in excess of the Deductible Amount stated in Section **B. Limits Of Insurance, 9 Property Damage To Borrowed Equipment** of this endorsement. The limits of insurance will not

be reduced by the application of such Deductible Amount.

- (b) **Section IV - Commercial General Liability Conditions, 2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**, applies to each claim or "suit" irrespective of the amount.

- (c) We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

10. Broadened Who Is An Insured

- a. **Section II - Who Is An Insured** is amended to include the following as insureds, but only with respect to their duties in connection with the positions described below:

- (1) Any of your trustees or members of your Board of Governors or clergy if you are a private charitable or educational institution;
- (2) Any of your board members or commissioners if you are a public board or commission;
- (3) Any student teachers or student interns who are working or teaching as part of their educational requirements; and
- (4) Each of the following organizations and their members, if they have been specifically authorized by you, and only with respect to their use of your premises and their activities elsewhere that are within the scope of the authorized purpose of such organization:

- (a) Parent support groups;
- (b) Alumni groups; and
- (c) Student groups.

- (5) Any of your former "employees", directors, managers, members, partners or "executive officers", including but not limited to retired, disabled or those on leave of absence, but only for acts within the scope of their employment by you or for duties re-

lated to the conduct of your business.

11. Broadened Notice Of Occurrence

Paragraph **a.** of Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit** under **Section IV - Commercial General Liability Conditions** is replaced by the following:

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

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

However, our rights afforded under this policy shall not be prejudiced if you fail to give us notice of an "occurrence", offense, claim or "suit", solely due to your reasonable and documented belief that the "bodily injury", "property damage" or "personal and advertising injury" is not covered under this policy.

12. Aircraft, Auto, Or Watercraft Exclusion Revision

With respect to the transportation of students only, **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, g. Aircraft, Auto Or Watercraft** is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading or unloading" or entrustment to others of any aircraft, "auto" or watercraft owned, operated or hired by any insured. For the purpose of this exclusion, the word hired includes any contract to furnish transportation of your students to and from schools.

This exclusion applies even if the claims against the insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by

that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated or hired by any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 51 feet long; and
 - (b) Not being used to carry persons or property for a charge.

However, the insurance provided under this Paragraph **(2)**, only applies to the person who, with your consent, either uses or is responsible for the use of a watercraft;

- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (b) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".
- (6) "Bodily injury" or "property damage" arising out of or caused by any non-motorized recreational watercraft used for sailing, rowing or sculling that is owned, used by, or rented to an insured.

However, with respect to the insurance provided under this Paragraph (6) only, **Section II - Who Is An Insured** is modified to include as an insured any person or organization legally responsible for the use of any such recreational watercraft used for sailing, rowing or sculling that you own, provided the actual use is with your permission; or

- (7) An aircraft you do not own, provided:
- (a) The pilot in command holds a current effective certificate, issued by a duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
 - (b) The aircraft is rented with a trained, paid crew; and
 - (c) The aircraft does not transport persons or cargo for a charge.

13. Bodily Injury Redefined

Section V - Definitions, 4. "Bodily injury" is replaced by the following:

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.

14. Professional Services Liability Coverage

- a. The following is added to **Section I - Coverages**:

Professional Services Liability Coverage

(1) Insuring Agreement

- (a) We will pay those sums the insured becomes legally obligated to pay as damages as the result of "bodily injury" caused by a "professional incident". We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" to which this insur-

ance does not apply. We may, at our discretion, investigate any "professional incident" and settle any claim or "suit" that may result. But:

- 1) The amount we will pay for damages is limited as described in **Section III - Limits Of Insurance**; and
- 2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under **Section I - Coverage A - Bodily Injury And Property Damage Liability, Section I - Coverage B - Personal And Advertising Injury Liability, Educational Institutions Commercial General Liability Endorsement, 14. Professional Services Liability Coverage** or medical expenses under **Section I - Coverage C - Medical Payments**.

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

- (b) This insurance applies to injury only if:
 - 1) The "bodily injury" is caused by a "professional incident" that takes place in the "coverage territory"; and
 - 2) The earlier of the following first occurs during the "coverage term":
 - a) The first "bodily injury" arising from the "professional incident" occurs; or

b) The first "bodily injury" arising from the "professional incident" begins to occur.

(c) "Bodily Injury" caused by a "professional incident" shall be deemed to be caused by an "occurrence".

(d) **Section I - Supplementary Payments - Coverages A And B** applies to coverage provided under **14. Professional Services Liability Coverage**.

(2) Exclusions

This insurance does not apply to:

(a) Dishonest, Criminal Or Malicious Acts

"Bodily injury" due to acts, errors or omissions of any insured that are dishonest, criminal or malicious.

(b) Medical Facilities

"Bodily injury" if the college or school owns or operates an infirmary with facilities for lodging and treatment, or a public clinic or hospital.

(c) Physician Or Physician Assistant

Any liability arising out of or caused by the professional service of any physician or physician assistant. However, this exclusion does not apply to your liability arising out of or caused by the professional service of any physician or physician assistant.

(d) Coverage A Exclusions

Any liability or damages excluded under **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions** with the following exception:

Exclusion 2.a. Expected Or Intended Injury is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" which may reasonably be expected to result from the intentional acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

This exclusion does not apply to:

- 1) "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- 2) "Bodily injury" caused by the rendering or failure to render "covered professional services".

b. Who Is An Insured

As respects **Professional Services Liability Coverage, Section II - Who Is An Insured**, Paragraph 2.a.(1)(d) is replaced by the following:

- (d) Arising out of his or her providing or failing to provide professional healthcare services. However, this does not apply to the rendering of or failure to render "covered professional services" by:
- (i) An "employee" within the scope of their employment by you; or
 - (ii) A "volunteer worker" but only while performing duties related to the conduct of your business.

c. Limits Of Insurance

As respects **Professional Services Liability Coverage, Section III - Limits Of Insurance**, is amended as follows:

- (1) Paragraph 2.a. is replaced by the following:

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

- (1) Medical expenses under **Coverage C - Medical Payments**;
- (2) Damages under **Coverage A - Bodily Injury And Property Damage Liability**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
- (3) Damages under **Coverage B - Personal And Advertising Injury Liability**; and
- (4) Damages under **Educational Institutions Commercial General Liability Endorsement, 14. Professional Services Liability Coverage**.

This General Aggregate Limit will not apply if either the Location General Aggregate Limit of Insurance, Paragraph **2.b.**, or the Construction Project General Aggregate Limit of Insurance, Paragraph **2.c.** applies.

- (2) Paragraph **5.** is replaced by the following:

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

- a. Damages under **Coverage A - Bodily Injury And Property Damage Liability** because of all "bodily injury" and "property damage" arising out of any one "occurrence";
- b. Medical expenses under **Coverage C - Medical Payments** because of all "bodily injury" arising out of any one "occurrence"; and

- c. Damages under **Educational Institutions Commercial General Liability Endorsement, 14. Professional Services Liability Coverage** because of:

- 1) All injury resulting from a series of acts or omissions in rendering "covered professional services" to one person; or
- 2) All injury arising out of or in connection with the continuous or repeated exposure to substantially the same conditions;

shall be considered as arising from one "professional incident" regardless of the time frame over which such "professional incidents" or injury occur. A "professional incident" shall be deemed to have first occurred in the "coverage term" in which the earliest "professional incident" occurred.

d. Additional Conditions

As respects **Professional Services Liability Coverage, Section IV - Commercial General Liability Conditions, 5. Other Insurance, b. Excess Insurance** is replaced by the following:

5. If other valid and collectable insurance is available to the insured for a loss we cover under **Professional Services Liability Coverage**, our obligations are limited as follows:

b. Excess Insurance

This insurance is excess over:

- (1) Any other valid and collectable insurance whether primary, excess, contingent or on any other basis.
- (2) When this insurance is excess, we will have no

duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit".

- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured retention amounts under all that other insurance.

Other valid and collectible insurance includes, but is not limited to, policies or insurance programs purchased or established by or on behalf of a named insured or employer to insure against liability arising from activities of the named insured or employer, its employees, including law enforcement personnel, whether primary, excess, contingent, or on any other basis. The person seeking coverage shall cooperate with us to determine the existence, availability and coverage of any such other insurance policy, insurance program or defense or indemnification arrangement.

Other valid and collectible insurance does not include any umbrella policy issued by us or any coverage specifically issued by us as excess over this policy. Nothing in this provision

shall be construed to require any such umbrella or excess coverage issued by us to apply unless and until all other valid and collectible insurance is exhausted.

e. Additional Definitions

As respects **Professional Services Liability Coverage, Section V - Definitions**, is amended as follows:

1. "Covered professional services" means educational counseling services, professional nursing, emergency medical technician, paramedics, psychological or psychometric counseling, athletic training, or speech, hearing, occupational or physical therapy service, treatment or advice.
2. "Professional incident" means any act or omission in the providing or failure to provide "covered professional services" by your "employee" or your "volunteer worker" to your "employees" or students.

15. Medical Malpractice - Clinics, Hospitals And Infirmaries Exclusion

Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions and **Section I - Coverage B - Personal And Advertising Injury Liability, 2. Exclusions** are amended to include the following:

Medical Malpractice - Clinics, Hospitals and Infirmaries

If the college or school owns or operates an infirmary with facilities for lodging and treatment, or a public clinic or hospital, this insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" caused by:

- a. The rendering or failure to render:
- (1) Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;
 - (2) Any health or therapeutic service, treatment, advice or instruction; or
 - (3) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement,

hair removal or replacement or personal grooming.

- b. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
- c. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

16. Pollution Exception - Classrooms

- a. **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, f. Pollutant, (1)(a)** is amended to include the following:

However, **f. Pollutant, (1)(a)** does not apply to "bodily injury" or "property damage" that is caused, in whole or in part, by activities usual to classroom instruction on premises you own or rent.

- b. **Section III - Limits Of Insurance, Paragraph 5.** is replaced by the following:

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

- a. Damages under **Coverage A - Bodily Injury And Property Damage Liability;** and

- b. Medical expenses under **Coverage C - Medical Payments;**

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

However, the most we will pay for any coverage available per **16. Pollution Exception - Classrooms** is the **Pollution Exception - Classrooms** Each Occurrence Limit as indicated in **Section B. Limits Of Insurance, 16. Pollution Exception - Classrooms** of this endorsement. This amount is included within and is not in addition to the Each Occurrence Limit.

17. School Broadcasting And Publication

- a. **Section I - Coverage B - Personal And Advertising Injury Liability, 2. Exclusions, j. Insureds In Media And Internet Type Businesses, Paragraph (1)** does not apply within

the scope of your activities as a school.

- b. **Section IV - Commercial General Liability Conditions,** is amended to include the following:

Retraction Or Correction Of Erroneous Matter

Retraction or correction shall be promptly made of any matter which has been published or broadcast through error, mistake, or which is untrue.

- c. **Section I - Coverage B - Personal And Advertising Injury Liability, 2. Exclusions** is amended to include the following:

This insurance does not apply to:

- (1) "Personal and advertising injury" arising out of or caused by the actual or alleged unauthorized collection, use or dissemination of internet user information through web cookies or other online profiling purposes by or on behalf of the insured or for the unlawful access to or invasion of any computer software, operating system or network electronic mail or voice mail system by or on behalf of the insured.
- (2) "Personal and advertising injury" arising out of any claim or "suit" made by any music licensing entity on their behalf or for others alleging the insured's failure to procure or maintain requisite licenses or payment of royalties.
- (3) "Personal and advertising injury" arising out of or caused by an investigation or proceeding initiated by an administrative or regulatory agency, including, but not limited to, the Federal Trade Commission or the Federal Communications Commission.

- d. **Section V - Definitions, 1. "Advertisement"** is replaced by the following:

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

- (a) Notices that are published include material placed on the Internet or on similar electronic means of communication, but only with respect to your goods, products or services for purpose of attracting customers or supporters; and
- (b) Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".

18. Restraint Or Removal Of A Student

Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions, a. Expected Or Intended Injury is replaced by the following:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually expected or intended.

This exclusion does not apply to:

- (1) "Bodily injury" or "property damage" arising or resulting from the use of reasonable force to protect persons or property;
- (2) "Bodily injury" arising or resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your function, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts and if such reasonable force is administered in compliance with your rules and regulations; or
- (3) "Bodily injury" arising or resulting from corporal punishment to your student administered by or at the direction of any insured pursuant to the named insured's accepted or approved guidelines and not in violation of any state or federal law or regulation.

19. Worldwide Liability Coverage Extension

- a. **Section I - Coverage A - Bodily Injury And Property Damage Liability, Coverage B - Personal And Advertising Injury Liability, and Coverage C - Medical Payments** are amended by adding the following to their insuring agreements:

With regard to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, we will pay you for any reasonable expenses incurred with our written consent in the investigation, settlement or defense of said claim or "suit". However:

- (1) The amount we will pay for judgments or settlements is limited as described in **Section III - Limits Of Insurance**; and
- (2) Our duty to pay the reasonable cost of any investigation and defense ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under any coverage provided by this Coverage Part.

With regard only to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, the insured must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However:

- (1) All such investigation, defense and settlement negotiations must be conducted under our supervision; and
- (2) Settlement of a claim or "suit" may only be made with our prior written authorization.

- b. **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions and Coverage B -**

Personal And Advertising Injury Liability, 2. Exclusions, are amended to include the following:

This insurance does not apply to:

- (1) Any liability arising out of the ownership, maintenance or use of premises located outside of the territory described in Paragraph **a.** of the definition of "coverage territory"; or
- (2) Any liability arising out of operations on the premises described in Paragraph (1) above or elsewhere which are necessary or incidental to the ownership, maintenance or use of those premises; or
- (3) Any liability arising out of goods or products manufactured or distributed from any premises described in (1) above.

c. Section IV - Commercial General Liability Conditions is amended as follows:

- (1) The following is added to Condition **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**, but only with regard to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory" as modified by **19. Worldwide Liability Coverage Extension, d.1.:**

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, the insured must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However:

- (a) All such investigation, defense and settlement negotiations must be conducted under our supervision; and
 - (b) Settlement of a claim or "suit" may only be made with our prior written authorization.
- (2) The following is added to Condition **5. Other Insurance:**

With regard to claims or "suits" brought outside of the United

States of America (including its territories and possessions), Puerto Rico and Canada, to which this insurance applies:

- (a) We will have no duty under any coverage of this endorsement to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers; and
 - (b) We will pay only our share of the amount of loss, if any, that exceeds the sum of:
 - (i) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (ii) The total of all deductible and self-insured amounts under all that other insurance.
- (3) The following Conditions are hereby added:

(a) Office Of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this endorsement would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

(b) Required Insurance

This insurance is not a replacement for "required insurance". Insureds must conform with all laws mandating "required insurance". An insured's non-compliance with any such law(s) shall not abrogate the insurance provided under this Coverage Part. Nevertheless, our liability in the event of an insured's non-compliance with a "required insurance" law(s) will be, with regard to claims or "suits" to which both this insurance and any "required

insurance" would apply, no greater than it would have been had the insured been in compliance with the "required insurance" law(s).

We shall not be liable for nor will we pay any fees, fines or penalties which are the result of an insured's noncompliance with any "required insurance" law(s).

(c) Currency

The Limits of Insurance set forth in the Declarations for this Coverage Part are denominated in the currency of the United States of America (U.S. dollars). Any payments we make under the terms of this Coverage Part outside of the United States of America in a currency other than United States dollars shall be made at the prevailing currency exchange rate on the date a settlement is made, a judgment is rendered or other payable or indemnifiable expenses are agreed to by us.

In no event shall the total amounts payable or indemnifiable exceed the Limits of Insurance in United States currency for the applicable policy period of portion thereof.

d. Section V - Definitions is amended as follows:

1. Definition 6. "Coverage territory" is replaced by the following:

6. "Coverage territory" means:

- a.** The United States of America (including its territories and possessions), Puerto Rico and Canada; or
- b.** All parts of the world (except those where a United States of America Department of State ban is in effect at the time of the "occurrence"

or offense, or when a claim or "suit" is brought), if the injury or damage arises out of:

- (1)** An "occurrence" or offense caused by an insured while performing duties related to the conduct of your business and your business is located within the territory described in **a.** above; or
- (2)** Goods or products made or sold by you in the territory described in **a.** above.

2. The following definition is added:

"Required insurance" means any insurance which an insured is obligated to buy from domestic or licensed insurance companies under the laws of any territory, other than the territory described in Paragraph **a.** of the definition of "coverage territory".

20. Fellow Employee Coverage

Section II - Who Is An Insured is amended as follows:

Paragraphs **2.a.(1)(a)** and **2.a.(1)(b)** are replaced by the following:

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

- (a)** To you.

21. Mobile Equipment Redefined

Section V - Definitions, 15. "Mobile equipment", f.(1) is replaced by the following:

(1) Equipment designed primarily for:

- (a)** Snow removal;
- (b)** Road maintenance, but not construction or resurfacing; or
- (c)** Street cleaning;

However, Paragraphs **(a)**, **(b)** and **(c)** do not apply to self-propelled vehicles of less than 1,000 pounds gross vehicle weight.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS' SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIABILITY

SCHEDULE

Sexual Misconduct or Sexual Molestation Each Claim Limit: \$ 1,000,000

Sexual Misconduct or Sexual Molestation Aggregate Limit: \$ 2,000,000

Outside Counseling Service Each Claim Limit: \$ 5,000

Outside Counseling Service Aggregate Limit: \$ 5,000

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. Except for the insurance provided by this endorsement, the Coverage Part to which this endorsement is attached does not apply to any claim or "suit" seeking "bodily injury", "property damage" or "personal and advertising injury" related to, arising out of, directly or indirectly resulting from, or in consequence of:

1. Any actual or alleged act of "sexual misconduct or sexual molestation" by anyone of any person while in the care, custody or control of any insured; or
2. The negligent employment, investigation, supervision, reporting to or failing to report to the proper authorities, or retention of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph 1. above.

B. SECTION I - COVERAGES: is modified to include the following:

SEXUAL MISCONDUCT OR SEXUAL MOLESTATION COVERAGE

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of injury to a person arising out of an act of "sexual misconduct or sexual molestation" to which this insurance applies. Unless otherwise stated in Section **F.**, Paragraph **2.**, **5. Other Insurance**, Item **b.** of this endorsement, we will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "sexual misconduct or

sexual molestation" to which this insurance does not apply. We may, at our discretion, investigate any act of "sexual misconduct or sexual molestation" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **E. SECTION III - LIMITS OF INSURANCE** of this endorsement; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under the insurance provided by this endorsement.

No other obligation or liability to pay sums or perform acts or services is covered unless expressly provided for under **SUPPLEMENTARY PAYMENTS**.

b. This insurance applies to injury only if:

- (1) The injury is caused by "sexual misconduct or sexual molestation" that takes place in the "coverage territory";
- (2) The "sexual misconduct or sexual molestation" occurs during the policy period; and
- (3) Prior to the "coverage term" in which "sexual misconduct or sexual molestation" occurs, you did not know, per Paragraph **1.d.** below that the "sexual misconduct or sexual molestation" had

occurred or had begun to occur, in whole or in part.

c. "Sexual misconduct or sexual molestation" which:

- (1) Occurs during the "coverage term"; and
- (2) Was not, prior to the "coverage term", known by you, per Paragraph **1.d.** below, to have occurred;

includes any continuation, change or resumption of that "sexual misconduct or sexual molestation" after the end of the "coverage term" in which it first became known by you.

d. You will be deemed to know that "sexual misconduct or sexual molestation" has occurred at the earliest time when any "authorized representative":

- (1) Reports all, or any part, of the "sexual misconduct or sexual molestation" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "sexual misconduct or sexual molestation";
- (3) First observes, or reasonably should have first observed, the "sexual misconduct or sexual molestation";
- (4) Becomes aware, or reasonably should have become aware, by any means other than as described in (3) above, that "sexual misconduct or sexual molestation" had occurred or had begun to occur; or
- (5) Becomes aware, or reasonably should have become aware, of a condition from which "sexual misconduct or sexual molestation" was substantially certain to occur.

e. For this endorsement only:

With regard to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, we will pay you for any reasonable expenses in-

curred with our written consent in the investigation, settlement or defense of said claim or "suit". However:

- (1) The amount we will pay for judgments or settlements is limited as described in **E. SECTION III - LIMITS OF INSURANCE**; and

- (2) Our duty to pay the reasonable cost of any investigation and defense ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under any coverage provided by this Coverage Part.

f. With regard only to claims or "suits" brought outside of the territory described in Paragraph **a.** of the definition of "coverage territory":

If we are prevented by law or other circumstances we deem beyond our control from investigating, settling or defending a claim or "suit" to which this insurance applies, the insured must make or cause to be made such investigation, defense or settlement as may be reasonably necessary. However:

- (1) All such investigation, defense and settlement negotiations must be conducted under our supervision; and
- (2) Settlement of a claim or "suit" may only be made with our prior written authorization.

2. EXCLUSIONS

This insurance does not apply:

a. To an insured:

- (1) Who actually or allegedly personally participated in or condoned any act of "sexual misconduct or sexual molestation"; or
- (2) Who actually or allegedly purposefully violated any statute, rule, regulation, agreement or judicial or regulatory order.

However, Paragraph **a.** above shall not apply unless and until one of the following occurs:

- (1) The insured is convicted of a criminal offense arising from the alleged "sexual misconduct or sexual molestation";
- (2) The insured pleads guilty or no contest to a criminal charge or

charges arising from the alleged "sexual misconduct or sexual molestation";

- (3) The insured admits to their personal participation in or condoning of the alleged "sexual misconduct or sexual molestation"; or
 - (4) The insured's personal participation in or condoning of the alleged "sexual misconduct or sexual molestation" is determined to have occurred by a court of competent jurisdiction in a civil action, at which point our duty to defend the insured or pay damages on behalf of the insured shall cease.
- b. To the cost of defense of, or the cost of paying any fines for any person resulting from actual or alleged violation of any penal or criminal statute.
 - c. To any injury arising out of any actual or alleged violation of a penal statute or ordinance committed by or with the knowledge or consent of any insured.
 - d. To liability assumed by the insured under any contract or agreement. However, this exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
 - e. To any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.
 - f. To any injury to:
 - (1) An "employee" of the insured sustained in the "workplace";
 - (2) An "employee" of the insured arising out of the performance of duties related to the conduct to the insured's business; or
 - (3) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraphs (1) or (2) above.

This exclusion applies:

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

- g. To any exemplary or punitive damages.
- h. To an insured who is a registered sex offender in any jurisdiction and the insured's status as a sex offender occurred prior to the date of any alleged act or subsequent injury provided by this endorsement.

3. SUPPLEMENTARY PAYMENTS apply to the insurance provided by this endorsement.

C. SECTION I - COVERAGES is modified to include the following:

OUTSIDE COUNSELING SERVICE COVERAGE

1. Insuring Agreement

- a. We will reimburse you the reasonable expenses for professional mental health services you incur on behalf of the claimant making the allegation of "sexual misconduct or sexual molestation". We have no duty to defend an insured against any claim or "suit" seeking the cost or expense of professional mental health services. We will only pay if:

- (1) The "sexual misconduct or sexual molestation" was alleged to have been committed by an insured;
- (2) The "sexual misconduct or sexual molestation" occurred in the "coverage territory" and during the "coverage term"; and
- (3) The professional mental health organization or person providing the mental health service is not an insured under this endorsement.

- b. We will make these payments regardless of fault and the amount we will pay:

- (1) For professional mental health expense is limited as described in **E. SECTION III - LIMITS OF INSURANCE** of this endorsement; and
- (2) Payment under this coverage does not mean we are liable for any other payment under this endorsement.

D. For this endorsement only, SECTION II - WHO IS AN INSURED is modified as follows:

- 1. Paragraph **2.a.(1)** is deleted in its entirety and replaced by the following:

(1) "Sexual misconduct or sexual molestation":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

2. Paragraph 2. is modified to include as an insured any of the following but only with respect to their duties in connection with the positions described below:

- a. Any of your trustees or members of your Board of Governors or clergy if you are a private educational institution.
- b. Any of your board members or commissioners if you are a public board or commission.
- c. Any student teachers or student interns who are working or teaching as part of their educational requirements.

However, none of these student teachers or student interns are insureds for:

(1) "Sexual misconduct or sexual molestation":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to your "employees", to your

"volunteer workers", to a co-student teacher or co-student intern while in the course of performing duties related to the conduct of your business;

- (b) To the spouse, child, parent, brother or sister of that "employee", "volunteer worker", co-student teacher or co-student intern as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

E. **SECTION III - LIMITS OF INSURANCE** is deleted in its entirety and replaced with the following:

- 1. The Limits of Insurance shown in the **EDUCATIONAL INSTITUTIONS' SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIABILITY SCHEDULE** and the rules below fix the most we will pay regardless of the number of:

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

- 2. For **B. SECTION I - COVERAGES, Sexual Misconduct or Sexual Molestation Coverage**:

- a. Subject to Paragraph b. below, the Sexual Misconduct or Sexual Molestation Each Claim Limit is the most we will pay for the sum of damages under **B. SECTION I - COVERAGES, Sexual Misconduct or Sexual Molestation Coverage** arising out of one claim or "suit"; and
- b. The Sexual Misconduct or Sexual Molestation Aggregate Limit is the most we will pay for the sum of damages under **B. SECTION I - COVERAGES, Sexual Misconduct or Sexual Molestation Coverage** for all claims or "suits" to which this insurance applies.

3. For **C. SECTION I - COVERAGES, Outside Counseling Service Coverage**:

- a. Subject to Paragraph **b.** below, the Outside Counseling Service Each Claim Limit is the most we will pay for the sum of expenses under **C. SECTION I - COVERAGES, Outside Counseling Service Coverage** arising out of one claim or "suit"; and
- b. The Outside Counseling Service Aggregate Limit is the most we will pay for the sum of expenses under **C. SECTION I - COVERAGES, Outside Counseling Service Coverage** for all claims or "suits" to which this insurance applies.

The Limits of Insurance of this endorsement apply separately to each "coverage term".

F. For this endorsement only, **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is modified as follows:

- 1. Condition **2. Duties in the Event of Occurrence, Offense, Claim or Suit** is deleted in its entirety and replaced with the following:
- 2. **Duties in the Event of Occurrence, Offense, Sexual Misconduct or Sexual Molestation, Claim or Suit**
 - a. You must see to it that we are notified as soon as practicable of an "occurrence", offense or "sexual misconduct or sexual molestation" which may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence", offense or "sexual misconduct or sexual molestation" took place;
 - (2) The names and addresses of any injured persons and witnesses; and
 - (3) The nature and location of any injury or damage arising out of the "occurrence", offense or "sexual misconduct or sexual molestation".
 - b. If a claim is made or "suit" is brought against any insured, you must:
 - (1) Immediately record the specifics of the claim or "suit" and the date received; and
 - (2) Notify us as soon as practicable.

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

- c. You and any other involved insured must:
 - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - (2) Authorize us to obtain records and other information;
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
 - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent. However, this paragraph does not apply to **C. SECTION I - COVERAGES, Outside Counseling Service Coverage**.
- 2. For this endorsement only, Condition **5. Other Insurance** is deleted in its entirety and replaced by the following:
 - 5. **Other Insurance**
 - a. This insurance is excess over any other valid and collectible insurance other than insurance written specifically to be excess over this insurance.
 - b. With regard to claims or "suits" brought outside of the United States of America (including its territories and possessions), Puerto Rico and Canada, to which this insurance applies:
 - (1) We will have no duty under any coverage of this endorsement to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but

we will be entitled to the insured's rights against all those other insurers; and

- (2) We will pay only our share of the amount of loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

3. The following condition is added:

OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE

Whenever insurance coverage provided by this endorsement would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

4. The following condition is added:

REQUIRED INSURANCE

This insurance is not a replacement for "required insurance". Insureds must conform with all laws mandating "required insurance". An insured's noncompliance with any such law(s) shall not abrogate the insurance provided under this endorsement. Nevertheless, our liability in the event of an insured's noncompliance with a "required insurance" law(s) will be, with regard to claims or "suits" to which both this insurance and any "required insurance" would apply, no greater than it would have been had the insured been in compliance with the "required insurance" law(s).

We shall not be liable for nor will we pay any fees, fines or penalties which are the result of an insured's noncompliance with any "required insurance" law(s).

5. The following condition is added:

CURRENCY

The Limits of Insurance set forth in the **SCHEDULE** of this endorsement are denominated in the currency of the United States of America (U.S. dollars). Any payments we make under the terms of this endorsement outside of the United States of America in a currency other than United States dollars shall be made at the prevailing currency exchange rate on the date a settlement is made, a judgment is

rendered or other payable or indemnifiable expenses are agreed to by us.

In no event shall the total amounts payable or indemnifiable exceed the Limits of Insurance in United States currency for the applicable policy period or portion thereof.

G. SECTION V - DEFINITIONS is amended as follows:

1. The following definitions are hereby added:

a. "Required insurance" means any insurance which an insured is obligated to buy from domestic or licensed insurance companies under the laws of any territory, other than the territory described in Paragraph a. of the definition of "coverage territory".

b. "Sexual misconduct or sexual molestation" means:

(1) An unwelcomed, nonconsensual, offensive or illegal verbal or non-physical acts of a sexual nature; and

(2) Actual or alleged physical misconduct or physical molestation arising out of a single, continuous or repeated exposure of one or more persons to acts of a sexual nature

committed by:

(1) One person; or

(2) Two or more persons acting together or in related acts or series of acts.

However, "sexual misconduct or sexual molestation" does not include employment-related sexual harassment.

For purposes of determining what we will pay under this coverage:

(1) All injury arising out of or in connection with all covered claims or "suits" of "sexual misconduct or sexual molestation" by the same person, or two or more persons acting together; and

(2) All injury arising out of or in connection with a series of "sexual misconduct or sexual molestation" claims or "suits"; and

(3) All injury arising out of or in connection with the continuous or repeated exposure to "sexual

misconduct or sexual molesta-
tion",

shall be considered as arising from one claim or "suit" of "sexual misconduct or sexual molestation" regardless of the time frame over which such "sexual misconduct or sexual molestation" occurred.

2. For purposes of this endorsement only, the definition of "employee" is deleted in its entirety and replaced with the following:

"Employee" includes a "leased worker" or substitute teacher. "Employee" does not include a "temporary worker".

3. For this endorsement only, the definition of "suit" is deleted and replaced with the following:

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

- a. An arbitration proceeding in which such damages are claimed and to

which the insured must submit or does submit with our consent;

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent; or
- c. An appeal of a civil proceeding.

4. For this endorsement only, the definition of "coverage territory" is deleted and replaced by the following:

"Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada; or
- b. All parts of the world (except those where a United States economic or trade sanction or travel ban is in effect at the time of the "sexual misconduct or sexual molestation", or when a claim or "suit" is brought), if the injury or damage arises out of an act of "sexual misconduct or sexual molestation" caused by an insured while performing duties related to the conduct of your business and your business is located within the territory described in **a.** above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - ACCESS OR DISCLOSURE OF
CONFIDENTIAL OR PERSONAL INFORMATION AND
DATA-RELATED LIABILITY - WITH
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** Exclusion **2.s.** of **Section I - Coverage A - Bodily Injury and Property Damage Liability** is replaced by the following:

2. Exclusions

This insurance does not apply to:

- s. Access or Disclosure of Confidential or Personal Information and Data-Related Liability**

Damages arising out of:

- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

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

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

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

2. Exclusions

This insurance does not apply to:

Access or Disclosure of Confidential or Personal Information

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - NEURODEGENERATIVE INJURY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following is added to **Section I - Coverage A - Bodily Injury And Property Damage Liability, 2. Exclusions:**

This insurance does not apply to:

Neurodegenerative Injury

Damages for "bodily injury" arising from a "neurodegenerative injury" to a "participant" resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" involved participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

- B.** The following is added to **Section I - Coverage B - Personal and Advertising Injury Liability, 2. Exclusions:**

This insurance does not apply to:

Neurodegenerative Injury

Damages for "personal and advertising injury" arising from a "neurodegenerative injury" to a "participant" resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

- C.** For this endorsement only, the following is added to **Section V - Definitions:**

1. "Neurodegenerative injury" means any actual or alleged, head injury, brain injury, neurological injury, neurocognitive injury or brain neurological or neurocognitive disorder, disease, condition or dysfunction, including, but not limited to, Alzheimer's disease, Parkinson's disease, amyotrophic lateral sclerosis, mild traumatic brain injury, brain injury, repetitive brain trauma, cumulative brain trauma, chronic traumatic encephalopathy, dementia, cognitive injury or disorder, memory loss, loss of concentration, anxiety disorder, mood disorder, depression, sleeplessness, impulse control problems, headaches, speech and language impairment, post-concussion syndrome, second-impact syndrome, or single or repetitive concussive or sub-concussive injury or trauma or any injury or condition identified within the medical field as a neurodegenerative consequence of brain or head injury.
2. "Participant" means any person engaged in any athletic activities. "Participant" does not include spectators, referees, umpires or coaching staff.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. Exclusions, g. Aircraft, Auto or Watercraft is replaced by the following:

This insurance does not apply to:

g. Aircraft, Auto or Watercraft

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

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

This exclusion does not apply to:

- (1)** A watercraft while ashore on premises that you own or rent;
- (2)** A watercraft you do not own that is:
 - (a)** Less than 51 feet long; and
 - (b)** Not being used to carry persons or property for a charge;
- (3)** Parking an "auto" on, or the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5)** "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.

(2) or f. (3) of the definition of "mobile equipment".

B. SECTION II - WHO IS AN INSURED is amended to include:

- 4.** With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a.** "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b.** "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

C. SECTION V - DEFINITIONS, 3. "Auto" and 15. "Mobile equipment" are replaced by the following:

- 3.** "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
- 15.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b.** Vehicles maintained for use solely on or next to premises you own or rent;
 - c.** Vehicles that travel on crawler treads;

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

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

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

e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

(1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or

(2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in **a.**, **b.**, **c.** or **d.** above maintained primarily for purposes other than the transportation of persons or cargo.

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

(1) Equipment designed primarily for:

(a) Snow removal;

(b) Road maintenance, but not construction or resurfacing; or

(c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

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

D. This endorsement does not apply to any liability arising from an "occurrence" caused by or arising from any land vehicle if:

1. You have an Auto Coverage Form in force at the time of the "occurrence"; and

2. The land vehicle meets the definition of auto in your Auto Coverage Form or policy, regardless of whether or not such land vehicle is:

a. A covered auto under such Auto Coverage Form or policy; or

b. Specifically described on a schedule of covered autos on your Auto Coverage Form or policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY**BODILY INJURY EXCEPTIONS TO POLLUTANT EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

For purposes of insurance provided by this endorsement:

1. Sudden and Accidental Exception

Exclusion **f. Pollutant, (1)(a) and (1)(d) of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** do not apply to "bodily injury" provided:

- a. The "release" of "pollutants" from which the "bodily injury" arises is "sudden" and "accidental"; and
- b. The injured person's first exposure to such "pollutants" occurred during the policy period; and
- c. The injured person is clinically diagnosed or treated by a physician for the "bodily injury" caused by exposure to such "pollutants" within one year of such first exposure.

2. Amendment to On Premises Exception

The on premises exception to the Pollutant Exclusion, **f.(1)(a)1 c) of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, is deleted in its entirety and replaced by the following:

- c) Within one year of such first exposure, the person injured is clinically diagnosed or treated by a physician for the medical condition caused by the exposure to such vapors. However, Paragraph **c)** does not apply if the "bodily injury" is caused by vapors produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.

3. Off Premises Exception

Exclusion **f. Pollutant (1)(d) of SECTION I - COVERAGES, COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** does not apply to "bodily injury" that is caused by "gaseous or airborne pollutants" provided:

- a. The injured person's first exposure to "gaseous or airborne pollutants" occurred during the policy period; and

- b. The injured person is clinically diagnosed or treated by a physician for the "bodily injury" caused by the exposure to "gaseous or airborne pollutants" within one year of such first exposure.

4. Amended Who Is An Insured

As respects the insurance provided by Paragraphs **1.** and **3.** of this endorsement, the **Sudden and Accidental Exception** and the **Off Premises Exception, SECTION II - WHO IS AN INSURED** is deleted in its entirety and replaced by the following:

The coverage afforded shall apply only to Named Insureds. We shall have no duty to defend or pay damages for any person or organization that is not a Named Insured.

5. SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS 5. Other Insurance

b. Excess Insurance is amended to include the following:

The insurance provided by Paragraphs **1. Sudden and Accidental Exception** and **3. Off Premises Exception**, of this endorsement is excess over any other valid and collectible insurance, whether primary, excess, contingent or on any other basis, except insurance written specifically to cover as excess over the limits of insurance that apply in this endorsement.

6. As respects the insurance provided by Paragraphs 1. and 3. of this endorsement, SECTION V - DEFINITIONS is amended to add the following:

- 1. "Accidental" means unintended and unexpected.
- 2. "Gaseous or airborne pollutants" means "pollutants" which:
 - (a) Are a gas, smoke, fume, vapor or other similar airborne substance; and
 - (b) Are the result of the "release" of such "pollutants" from materials, machinery or equipment brought on or to the "work site" by any Named Insured or any "employees", contractors or subcontractors working di-

rectly or indirectly on any Named Insured's behalf.

"Gaseous or airborne pollutants" does not include asbestos or lead.

3. "Release" means actual discharge, dispersal, seepage, migration, release, escape or emission.
4. "Sudden" means abrupt, immediate and brief as well as unexpected and without prior notice. "Sudden" has a temporal element which requires that the "release" of "pollutants" begins and ends within a brief period of time. A "release" of a

"pollutant" which results from a series of ongoing events which constitute a course of conduct or course of business is not "sudden".

5. "Work site" means any premises, site or location while a Named Insured or a Named Insured's "employees", contractors or subcontractors are performing operations directly or indirectly on the Named Insured's behalf, provided the premises, site or location is not owned or occupied by or rented or loaned to a Named Insured.

The Cincinnati Insurance Company

A Stock Insurance Company

EDUCATIONAL INSTITUTIONS CRIME COVERAGE PART DECLARATIONS

Attached to and forming part of POLICY NUMBER: ETD 053 03 98

Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.

Item Location (address)

Employee Benefit Plan(s) Included as Insureds:
METRO NASHVILLE PUBLIC SCHOOLS

Coverage is Written:

☒ **Primary** ☐ **Excess**

Coverage is provided only for the Crime Coverage for which a Limit of Insurance is shown below:

Insuring Agreements Forming Part of This Coverage Part	Limit of	Deductible
	Insurance Per Occurrence	Amount Per Occurrence
1. Employee Theft	\$1,000,000	\$2,500
2. Forgery or Alteration	\$100,000	\$500
3. Inside the Premises - Theft of Money and Securities	\$100,000	\$500
4. Inside the Premises - Robbery or Safe Burglary of Other Property	\$100,000	\$500
5. Outside the Premises	\$100,000	\$500
6. Computer Fraud	\$100,000	\$500
7. Funds Transfer Fraud	\$100,000	\$500
8. Money Orders and Counterfeit Money	\$100,000	\$500

If added by Endorsement, Insuring Agreement(s):

\$	\$
\$	\$
\$	\$
\$	\$

Forms and endorsements applicable to this Coverage Part at policy inception:

CR0020 05/06 **COMMERCIAL CRIME COVERAGE FORM (DISCOVERY FORM)**

CA440 08/07 **COMMERCIAL CRIME COVERAGE FORM AMENDATORY ENDORSEMENT**

The Educational Institutions Crime Coverage Part consists of this Declarations Form and the Commercial Crime Coverage Form (Discovery Form).

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COMMERCIAL CRIME COVERAGE FORM

(DISCOVERY FORM)

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

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

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

A. Insuring Agreements

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

1. Employee Theft

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

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

2. Forgery or Alteration

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

(1) Made or drawn by or drawn upon you; or

(2) Made or drawn by one acting as your agent;

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

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

b. If you are sued for refusing to pay any instrument covered in Paragraph **2.a.**, on the basis that it has been

forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Inside The Premises - Theft of Money and Securities

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

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

(2) Resulting directly from disappearance or destruction.

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

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

4. Inside the Premises - Robbery or Safe Burglary of Other Property

a. We will pay for loss of or damage to "other property":

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

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

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

- c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

5. Outside the Premises

- a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

6. Computer Fraud

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

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

7. Funds Transfer Fraud

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

8. Money Orders and Counterfeit Money

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

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

B. Limit of Insurance

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

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

one of those Insuring Agreements or Coverages.

C. Deductible

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

D. Exclusions

1. This insurance does not cover:

a. Acts Committed by You, Your Partners or Your Members

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

- (1) You; or
- (2) Any of your partners or "members";

whether acting alone or in collusion with other persons.

b. Acts of Employees Learned of by You Prior to the Policy Period

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

c. Acts Of Employees, Managers, Directors, Trustees or Representatives

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

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

except when covered under Insuring Agreement A.1.

d. Confidential Information

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, pat-

ents, trade secrets, processing methods or customer lists; or

- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.

e. Governmental Action

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

f. Indirect Loss

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

- (1) Your inability to realize income that you would have realized had there been no loss of or damage to "money", "securities" or "other property".
- (2) Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
- (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.

g. Legal Fees, Costs and Expenses

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

h. Nuclear Hazard

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

i. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

j. War and Military Action

Loss or damage resulting from:

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

2. Insuring Agreement **A.1. does not cover:**

a. Inventory Shortages

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

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

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

b. Trading

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

c. Warehouse Receipts

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

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

a. Accounting or Arithmetical Errors or Omissions

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges or Purchases

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

c. Fire

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

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

d. Money Operated Devices

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

e. Motor Vehicles or Equipment and Accessories

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

f. Transfer or Surrender of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (a) On the basis of unauthorized instructions;
 - (b) As a result of a threat to do bodily harm to any person;
 - (c) As a result of a threat to do damage to any property;
 - (d) As a result of a threat to introduce a denial of service attack into your computer system;
 - (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;
 - (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or
 - (g) As a result of a threat to disseminate, divulge or utilize:
 - (i) Your confidential information; or

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

- (2) But, this Exclusion does not apply under Insuring Agreement **A.5.** to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:

- (a) Had no knowledge of any threat at the time the conveyance began; or
- (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

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

h. Voluntary Parting of Title to or Possession of Property

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

4. Insuring Agreement **A.6. does not cover:****a. Credit Card Transactions**

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

b. Funds Transfer Fraud

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

c. Inventory Shortages

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

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

5. Insuring Agreement **A.7.** does not cover:

COMPUTER FRAUD

Loss resulting from the use of a computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. Conditions

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

1. Conditions Applicable to all Insuring Agreements

a. Additional Premises or Employees

If, while this insurance is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this insurance. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

b. Concealment, Misrepresentation or Fraud

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

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

c. Consolidation - Merger or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

- (1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this insurance to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but

- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this insurance shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

d. Cooperation

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

e. Duties in the Event of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

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

f. Employee Benefit Plans

- (1) The "employee benefit plans" shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement **A.1.**
- (2) If any Plan is insured jointly with any other entity under this insurance, you or the Plan Administrator must select a Limit of Insurance for Insuring Agree-

ment **A.1.** that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.

- (3) With respect to loss sustained or "discovered" by any such Plan, Insuring Agreement **A.1.** is replaced by the following:

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

- (4) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (5) If two or more Plans are insured under this insurance, any payment we make for loss:
- (a) Sustained by two or more Plans; or
 - (b) Of commingled "funds" or "other property" of two or more Plans;
 resulting directly from an "occurrence" will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limit of Insurance of all Plans sustaining loss.
- (6) The Deductible Amount applicable to Insuring Agreement **A.1.** does not apply to loss sustained by any Plan.

g. Extended Period to Discover Loss

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

- (1) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insur-

ance provides coverage for loss sustained prior to its effective date.

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

h. Joint Insured

- (1) If more than one Insured is named in the Declarations, the first Named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then the next Named Insured will become the first Named Insured.
- (2) If any Insured, or partner, "member" or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- (3) An "employee" of any Insured is considered to be an "employee" of every Insured.
- (4) If this insurance or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:
- (a) No later than 60 days from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this insurance, whether or not such other insurance provides coverage for loss sustained prior to its effective date.
 - (b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".
- (5) We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

- (6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an "employee benefit plan", shall fully release us on account of such loss.

i. Legal Action Against Us

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

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

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

j. Liberalization

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

k. Other Insurance

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

(1) Primary Insurance

When this insurance is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this insurance, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:

- (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or

- (ii) The Deductible Amount shown in the Declarations;

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

(2) Excess Insurance

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

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

l. Ownership of Property; Interests Covered

The property covered under this insurance is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others whether or not you are legally liable for the loss of such property.

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

m. Policy Bridge - Discovery Replacing Loss Sustained

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

at the time this insurance became effective:

- (a) We will not pay for any loss that occurred during the Policy Period of that prior insurance which is "discovered" by you during the extended period to "discover" loss, unless the amount of loss exceeds the Limit of Insurance and Deductible Amount of that prior insurance. In that case, we will pay for the excess loss subject to the terms and conditions of this policy.
- (b) However, any payment we make for the excess loss will not be greater than the difference between the Limit of Insurance and Deductible Amount of that prior insurance and the Limit of Insurance shown in the Declarations. We will not apply the Deductible Amount shown in the Declarations to this excess loss.

(2) The Other Insurance Condition E.1.k. does not apply to this Condition.

n. Records

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

o. Recoveries

- (1) Any recoveries, whether effected before or after any payment under this insurance, whether made by us or you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this insurance;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this insurance.

(2) Recoveries do not include any recovery:

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

p. Territory

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

q. Transfer of Your Rights of Recovery Against Others to Us

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

r. Valuation - Settlement

(1) The value of any loss for purposes of coverage under this policy shall be determined as follows:

- (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:
 - (i) At face value in the "money" issued by that country; or
 - (ii) In the United States of America dollar equivalent determined by the rate of exchange published in *The Wall Street Journal* on the day the loss was "discovered".
- (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:

- (i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - i. Market value of the "securities" at the close of business on the day the loss was "discovered"; or
 - ii. The Limit of Insurance applicable to the "securities".
 - (c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
 - (i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;
 - (ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or
 - (iii) The Limit of Insurance applicable to the lost or damaged property.
- With regard to Paragraphs **r.(1)(c)(i)** through **r.(1)(c)(iii)**, we will not pay on a replacement cost basis for any loss or damage:
- i. Until the lost or damaged property is actually repaired or replaced; and
 - ii. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.
- (2) We will, at your option, settle loss or damage to property other than "money":
 - (a) In the "money" of the country in which the loss or damage occurred; or
 - (b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage occurred determined by the rate of exchange published in *The Wall Street Journal* on the day the loss was "discovered".
 - (3) Any property that we pay for or replace becomes our property.

2. Conditions Applicable to Insuring Agreement A.1.

a. Termination as to Any Employee

This Insuring Agreement terminates as to any "employee":

- (1) As soon as:
 - (a) You; or
 - (b) Any of your partners, "members", "managers", officers, directors or trustees not in collusion with the "employee";
- (2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If

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

b. Territory

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

3. Conditions Applicable to Insuring Agreement A.2.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement **A.2.**

b. Electronic and Mechanical Signatures

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

c. Proof of Loss

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

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.2.**

4. Conditions Applicable to Insuring Agreements A.4. and A.5.

a. Armored Motor Vehicle Companies

Under Insuring Agreement **A.5.**, we will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit of Insurance for Specified Property

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

(1) Precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or

(2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable to Insuring Agreement A.6.

a. Special Limit of Insurance for Specified Property

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

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition **E.1.p.** does not apply to Insuring Agreement **A.6.**

F. Definitions

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

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party

- under circumstances which, if true, would constitute a loss under this insurance.
5. "Employee":
- a. "Employee" means:
- (1) Any natural person:
 - (a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";
 - (b) Who you compensate directly by salary, wages or commissions; and
 - (c) Who you have the right to direct and control while performing services for you;
 - (2) Any natural person who is furnished temporarily to you:
 - (a) To substitute for a permanent "employee" as defined in Paragraph **a.(1)**, who is on leave; or
 - (b) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";
 - (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **a.(2)**;
 - (4) Any natural person who is:
 - (a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; and
 - (b) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";

- (5) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;
 - (6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises";
 - (7) Any "employee" of an entity merged or consolidated with you prior to the effective date of this insurance; or
 - (8) Any of your "managers", directors or trustees while:
 - (a) Performing acts within the scope of the usual duties of an "employee"; or
 - (b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- b. "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph **5.a**.
6. "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.
7. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.
8. "Fraudulent instruction" means:
- a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - b. A written instruction (other than those described in Insuring Agree-

ment **A.2.)** issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or

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

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

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

- (3) A series of acts whether or not related;

committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, before such Policy Period or both.

- c. Under All Other Insuring Agreements:

- (1) An individual act or event;
- (2) The combined total of all separate acts or events whether or not related; or
- (3) A series of acts or events whether or not related;

committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, before such Policy Period or both.

- 15. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this insurance.
- 16. "Premises" means the interior of that portion of any building you occupy in conducting your business.
- 17. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
 - a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
- 18. "Safe burglary" means the unlawful taking of:
 - a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".
- 19. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by

actual stamps or unused value in a meter) in current use; and

- b.** Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

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

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

- a.** By means of electronic, telegraphic, cable, teletype, telefacsimile or tele-

phone instructions communicated directly through an electronic funds transfer system; or

- b.** By means of written instructions (other than those described in Insuring Agreement **A.2.**) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMERCIAL CRIME COVERAGE FORM AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM

- A.** It is agreed that **E. Conditions, 1. Conditions Applicable to all Insuring Agreements, j. Liberalization** is deleted in its entirety and replaced by the following:

j. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a.** The date we implemented the change in your state; or
- b.** The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

- B.** It is agreed that **D. Exclusions, 1. i. Pollution** is deleted in its entirety and replaced by the following:

i. Pollutants

Loss or damage caused by or resulting from pollutants. Pollutants mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. Pollutants include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property, or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a.** You are regularly or otherwise engaged in activities which taint or degrade the environment; or
- b.** You use, generate or produce the pollutant.

THE CINCINNATI INSURANCE COMPANY

CINCINNATI, OHIO

BUSINESS AUTO COVERAGE PART DECLARATIONS**ITEM ONE**Attached to and forming part of POLICY NUMBER: **ETA 053 03 98**

Named Insured is the same as it appears in the Common Policy Declarations.

ITEM TWO**SCHEDULE OF COVERAGES AND COVERED AUTOS**

This coverage part provides only those coverages where a premium or "incl" is shown in the premium column below. The limit of Insurance for each coverage listed is subject to all applicable policy provisions. Each of these coverages will apply only to those "autos" shown as covered "autos". "Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the COVERED AUTO Section of the Business Auto Coverage Form next to the name of the coverage.

COVERAGES	COVERED AUTOS (Entry of one or more of the symbols from the COVERED AUTOS Section of the Business Auto Coverage Form shows which autos are covered autos)	LIMIT THE MOST WE WILL PAY FOR ANY ONE ACCIDENT OR LOSS	PREMIUM
LIABILITY	8, 9	\$ 1,000,000	INCL
PERSONAL INJURY PROTECTION (or equivalent No-fault coverage)		Separately stated in each P.I.P. endorsement minus \$ Ded.	
ADDED PERSONAL INJURY PROTECTION (or equivalent added No-fault coverage)		Separately stated in each added P.I.P. endorsement	
PROPERTY PROTECTION INSURANCE (Michigan only)		Separately stated in each P. P.I. endorsement minus \$ Ded	
AUTO. MEDICAL PAYMENTS		\$	
UNINSURED MOTORISTS		\$	
UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage)		\$	
PHYSICAL DAMAGE COMPREHENSIVE COVERAGE	8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded. For each covered auto. But no Deductible applies to loss caused by Fire or lightning. See Item Three for hired or borrowed "autos"	INCL
PHYSICAL DAMAGE SPECIFIED CAUSES OF LOSS COVERAGE		Actual cash value or cost of repair, Whichever is less minus \$ Ded. For Each covered auto. For loss caused by mischief or vandalism. See Item Three for hired or borrowed "autos"	
PHYSICAL DAMAGE COLLISION COVERAGE	8	Actual cash value or cost of repair, Whichever is less minus \$ SEE AA4183 Ded for each covered auto. See Item Three for hired or borrowed "autos".	INCL
PHYSICAL DAMAGE INSURANCE TOWING AND LABOR		\$ for each disablement of a private passenger auto	
PREMIUM FOR ENDORSEMENTS			INCL
*ESTIMATED TOTAL PREMIUM			

FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA4183 02/06 AUTOMOBILE SCHEDULE

AA101 03/06 BUSINESS AUTO COVERAGE FORM

AA2008 05/15 EDUCATIONAL INSTITUTIONS AUTO ENHANCEMENT ENDORSEMENT

AA2009 01/17 CHANGES - TOWING AND LABOR

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FORMS AND ENDORSEMENTS CONTAINED IN THIS COVERAGE PART AT ITS INCEPTION:

AA296	07/12	CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE
AA4231	08/08	SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO--ITEMS FOUR, FIVE, AND SIX
AA4263	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
CA0146	07/01	TENNESSEE CHANGES

* This policy may be subject to final audit

QUICK REFERENCE

COMMERCIAL AUTO COVERAGE PART

BUSINESS AUTO COVERAGE FORM

READ YOUR POLICY CAREFULLY

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Named Insured and Mailing Address
 Policy Period
 Description of Business
 Coverages and Limits of Insurance

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AUTOMOBILE SCHEDULE

ITEM THREE

Attached to and forming a part of Policy Number ETA 053 03 98 , effective 07-01-2022

The insurance afforded for any automobile is only with respects to such and so many of the coverages as are indicated by specific premium charge or charges indicated.

POLICY LIMITS

State: TN

Bodily Injury: 1,000,000 CSL Property Damage: INCLUDED

Veh.						
No. Vehicle Information						
HIRED AND NON-OWNED				Class:		Territory
OTC-COMP DED: N/A				Coll Ded: N/A		
BI	PD	MP	OTC	COLL	UM	TOTAL
1,178	INCL	N/A				1,178
HIRED AUTO PHYSICAL DAMAGE				Class:		Territory
LIMIT: 50,000				Coll Ded: 1,000		
OTC-COMP DED: 1,000						
BI	PD	MP	OTC	COLL	UM	TOTAL
			215	323		538

- SYMBOLS:
- BI -- Bodily Injury

PD -- Property Damage

MP -- Medical Payments

OTC -- Other Than Collision (ACV Coverage applies unless Stated Amount Value is indicated)

CAC -- Combined Additional Coverage

FT&S -- Fire, Theft, and Supplemental
- SPEC -- Specified Perils

COLL -- Collision

UM -- Uninsured Motorists

UIM -- Underinsured Motorists

PIP -- Personal Injury Protection

T&L -- Towing and Labor Costs

RR -- Rental Reimbursement

BUSINESS AUTO COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to SECTION V - DEFINITIONS.

SECTION I - COVERED AUTOS

ITEM TWO of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description of Covered Auto Designation Symbols

- | SYMBOL | DESCRIPTION |
|--------|---|
| 1 = | ANY "AUTO". |
| 2 = | OWNED "AUTOS" ONLY. Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins. |
| 3 = | OWNED PRIVATE PASSENGER "AUTOS" ONLY. Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins. |
| 4 = | OWNED "AUTOS" OTHER THAN PRIVATE PASSENGER "AUTOS" ONLY. Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins. |
| 5 = | OWNED "AUTOS" SUBJECT TO NO-FAULT. Only those "autos" you own that are required to have No-Fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have No-Fault benefits in the state where they are licensed or principally garaged. |
| 6 = | OWNED "AUTOS" SUBJECT TO A COMPULSORY UNINSURED MOTORISTS LAW. Only those "autos" you own that because of the law in the state where |

they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.

- 7 = SPECIFICALLY DESCRIBED "AUTOS". Only those "autos" described in ITEM THREE of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to a power unit described in ITEM THREE).
- 8 = HIRED "AUTOS" ONLY. Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees" or partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
- 9 = NONOWNED "AUTOS" ONLY. Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company), or members of their households but only while used in your business or your personal affairs.

B. Owned Autos You Acquire After the Policy Begins

1. If Symbols 1, 2, 3, 4, 5, or 6 are entered next to a coverage in ITEM TWO of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in ITEM TWO of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
- a. We already cover all "autos" that you own for that coverage or it replaces

an "auto" you previously owned that had that coverage; and

- b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

C. Certain Trailers, Mobile Equipment and Temporary Substitute Autos

If Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.

2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II - LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who is an Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a cov-

ered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
 - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
 - (5) A partner (if you are a partnership), or a member (if you are a limited liability company), for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for the cost of bail bonds (including bonds for related traffic law violations) re-

quired because of an "accident" we cover. We do not have to furnish these bonds.

- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All costs taxed against the "insured" in any "suit" against the "insured" we defend.
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-State Coverage Extensions

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the "insured" or which is in fact expected or intended by the "insured", even if the injury or damage is of a different degree or type than actually expected or intended. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification and Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" sustained in the "workplace";
- b. An "employee" of the "insured" arising out of the performance of duties related to the conduct of the "insured's" business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. or b. above.

This Exclusion applies:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract" other than a contract or agreement with a labor leasing firm. For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business.

6. Care, Custody or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement of Property by Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

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

- a. Any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor ve-

hicle insurance law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs **a.** or **b.** above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

11. Pollutant

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled, or handled for movement into, onto or from, the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or

- (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** of this exclusion does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

However, this exception to Paragraph **a.** does not apply if the fuels, lubricants, fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed or released.

Paragraphs **b.** and **c.** of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (2) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- d. At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations:

- (1) If the "pollutants" are brought on or to the premises, site or location in connection with such operations by such "insured", contractor or subcontractor; or
- (2) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

Subparagraph **d.(1)** does not apply to "bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent to be discharged, dispersed or released as part of the operations being performed by such "insured", contractor or subcontractor.

12. War

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

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This

insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

C. Limit of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined, resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

D. Mobile Equipment Subject to Motor Vehicle Insurance Laws

As respects **SECTION II - LIABILITY COVERAGE** any land vehicle, which would qualify as "mobile equipment", except that it is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged, is considered a covered "auto" under **SECTION II - LIABILITY COVERAGE**, irrespective of the Auto Designation Symbols shown for **SECTION II - LIABILITY COVERAGE** in the Declarations.

SECTION III - PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

b. Specified Causes of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

c. Collision Coverage

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. Towing

We will pay up to the limit shown in the Declarations for towing and labor costs

incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

3. Glass Breakage - Hitting a Bird or Animal - Falling Objects or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

a. Transportation Expenses

We will also pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered

"auto" is returned to use or we pay for its "loss".

in hindering or defending against any of these.

b. Loss of Use Expenses

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

B. Exclusions

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

a. Nuclear Hazard

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War or Military Action

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

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" caused by or resulting from any of the following unless caused by other "loss" that is covered by this insurance:

- a. Wear and tear, freezing, mechanical or electrical breakdown; or
- b. Blowouts, punctures or other road damage to tires.

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that receives or transmits audio, visual or data signals and that is not designed solely for the reproduction of sound.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

Exclusions 4.c. and 4.d. do not apply to:

- a. Equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in the covered "auto" at the time of the "loss" or such equipment is removable from a housing unit which is permanently installed in the covered "auto" at the time of the "loss", and such equipment is designed to be solely operated by use of the power from the "auto's" electrical system, in or upon the covered "auto"; or
- b. Any other electronic equipment that is:

- (1) Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system; or
- (2) An integral part of the same unit housing any sound reproducing equipment described in Paragraph a. above and permanently installed in the opening of the dash or console of the covered "auto" normally used by the manufacturer for installation of a radio.

- 5. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limit of Insurance

- 1. The most we will pay for "loss" in any one "accident" is the lesser of:
 - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
- 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

SECTION IV - BUSINESS AUTO CONDITIONS

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

A. Loss Conditions

1. Appraisal for Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

2. Duties in the Event of Accident, Claim, Suit or Loss

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:

- (1) How, when and where the "accident" or "loss" occurred;
- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
 - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
 - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
 - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
 - (4) Authorize us to obtain medical records or other pertinent information.
 - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

c. If there is "loss" to a covered "auto" or its equipment you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer of Rights of Recovery Against Others to Us

If any person or organization to or for whom we make payment under this Cov-

erage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation or Fraud

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

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part as of the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

4. No Benefit to Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this Coverage Form provides for the "trailer" is:
 - (1) Excess while it is connected to a motor vehicle you do not own.
 - (2) Primary while it is connected to a covered "auto" you own.
- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".
- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary for any liability assumed under an "insured contract".
- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the Policy Period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- a. The United States of America;
- b. The territories and possessions of the United States of America;
- c. Puerto Rico;
- d. Canada; and
- e. Anywhere in the world if:
 - (1) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and
 - (2) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico, or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

8. Two or More Coverage Forms or Policies Issued by Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

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

D. "Covered pollution cost or expense" means any cost or expense arising out of:

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

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants":

a. That are, or that are contained in any property that is:

- (1) Being transported or towed by, handled, or handled for movement into, onto or from the covered "auto";
- (2) Otherwise in the course of transit by or on behalf of the "insured";
- (3) Being stored, disposed of, treated or processed in or upon the covered "auto"; or

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place

where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

(1) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

(2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

(1) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

(2) The discharge, dispersal, seepage, migration, release, escape or emission of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

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

G. "Insured" means any person or organization qualifying as an insured in the Who is an Insured provision of the applicable coverage.

Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

H. "Insured contract":

1. Means:

- a.** A lease of premises;
- b.** A sidetrack agreement;
- c.** An easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d.** An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e.** That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement;
- f.** That part of any other contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

2. Does not include that part of any contract or agreement:

- a.** That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road beds, tunnel, underpass or crossing; or
- b.** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or

- c.** That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

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

- J.** "Loss" means direct and accidental loss or damage.

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

- 1.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- 2.** Vehicles maintained for use solely on or next to premises you own or rent;
- 3.** Vehicles that travel on crawler treads;
- 4.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a.** Power cranes, shovels, loaders, diggers or drills; or
 - b.** Road construction or resurfacing equipment such as graders, scrapers or rollers.
- 5.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a.** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - b.** Cherry pickers and similar devices used to raise or lower workers.
- 6.** Vehicles not described in Paragraphs **1.**, **2.**, **3.**, or **4.** above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
 - a.** Equipment designed primarily for:

- a.** Equipment designed primarily for:

- (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well servicing equipment.
- However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".
- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and their by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include but are not limited to substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether injury or damage is caused directly or indirectly by the "pollutants" and whether:
- 1. The "insured" is regularly or otherwise engaged in activities which taint or degrade the environment; or

- 2. The "insured" uses, generates or produces the "pollutant".
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
- 1. Damages because of "bodily injury" or "property damage"; or
 - 2. A "covered pollution cost or expense",
- to which this insurance applies, are alleged.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.
- Q. "Workplace" means that place and during such hours to which the "employee" sustaining "bodily injury" was assigned by you, or any other person or entity acting on your behalf, to work on the date of the "accident".

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

- 1. The insurance does not apply:
 - A. Under any Liability Coverage, to "bodily injury" or "property damage":
 - (1) With respect to which an "insured" under the policy is also an "insured" under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or would be an "insured" under any such policy but for its termination upon exhaustion of its limit of liability; or
 - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
 - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazard-

ous properties" of "nuclear facility" by any person or organization.

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

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

2. As used in this endorsement:

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material", "special nuclear material" or "byproduct material";

"Source material", "special nuclear material", and "byproduct material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been

used or exposed to radiation in a "nuclear reactor";

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

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";
- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS AUTO ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

1. **SECTION II - LIABILITY COVERAGE, B. Exclusions** is amended to include the following:

14. Abuse or Molestation Exclusion

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

- A.** The actual or threatened abuse or molestation by anyone of any person while in the care, custody, or control of any insured, or
- B.** The negligent:
 - 1. Employment;
 - 2. Investigation;
 - 3. Supervision;
 - 4. Reporting to the proper authorities, or failure to so report; or
 - 5. Retention;

of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph **A.** above.

2. **SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who is an Insured** is amended to include the following:

- d.** **"Volunteers"** while using a covered "auto" you do not own, hire or borrow to transport your students or other persons in activities necessary to your school and authorized by your school.

Anyone else who furnishes a covered "auto" you do not own, hire or borrow to transport your students or other persons in activities necessary to your school is also an "insured".

No "volunteer" or other person volunteering services to you is an "insured" with respect to regular car-pooling to and from school.

3. **SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible** is amended to include the following:

If a covered "auto" designated in the Schedule incurs a "loss" caused by the perils of windstorm or hail the following applies:

Regardless of the number of covered "autos" damaged, the maximum deductible applicable for all "loss" in any one occurrence is \$2,500. For purposes of this endorsement, all events of windstorm or hail within one 48 hour period will constitute one occurrence.

4. **Additional Definitions**

As used in this endorsement:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - TOWING AND LABOR

This endorsement modifies insurance provided by the following:

BUSINESS AUTO COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

- 1. SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 2. Towing** is deleted in its entirety and replaced with:

- 2. Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" is disabled. However, the labor must be performed at the place of disablement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE

This endorsement modifies insurance provided by the following:

BUSINESS AUTO COVERAGE FORM

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

1. SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 4. is deleted in its entirety and replaced with:

4. We will not pay for "loss" to any of the following:

- a.** Tapes, records, discs or similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b.** Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
- c.** Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d.** Any accessories used with the electronic equipment described in Paragraph **c.** above.

Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a.** Permanently installed in or upon the covered "auto";
- b.** Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c.** An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
- d.** Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

2. SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limits of Insurance, 1. is deleted in its entirety and replaced with:

1. The most we will pay for:

- a.** "Loss" to any covered "auto" is the lesser of;
 - (1)** The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - (2)** The cost of repairing or replacing the damaged or stolen property with other property of like kind or quality.
- b.** All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss", is up to \$1,000, if, at the time of "loss", such electronic equipment is:
 - (1)** Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
 - (2)** Removable from a permanently installed housing unit as described in Paragraph **b.1.** above; or
 - (3)** An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.

3. AUDIO, VISUAL AND DATA ELECTRONIC EQUIPMENT COVERAGE ADDED LIMITS

The sub-limit in Paragraph **1.b.** above is in addition to the Limit of Insurance shown in the Schedule of the Audio, Visual and Data Equipment Coverage endorsement, if purchased.

SUPPLEMENTARY SCHEDULE FOR BUSINESS AUTO - ITEMS FOUR, FIVE, AND SIXAttached to and forming a part of:
Form AA 505 (Business Auto Coverage Part)**ETA 053 03 98**
NUMBER**ITEM FOUR SCHEDULE OF HIRED OR****BORROWED COVERED AUTO COVERAGE AND PREMIUMS.****LIABILITY COVERAGE--RATING BASIS, COST OF HIRE**

STATE	ESTIMATED COST OF HIRE FOR EACH STATE	RATE PER EACH \$100 COST OF HIRE	PREMIUM
			TOTAL PREMIUM

Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or employees or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.

PHYSICAL DAMAGE COVERAGE

COVERAGES	LIMIT OF INSURANCE THE MOST WE WILL PAY DEDUCTIBLE	ESTIMATED ANNUAL COST OF HIRE	RATE PER EACH \$100 ANNUAL COST OF HIRE	MINIMUM PREMIUM	PREMIUM
COMPREHENSIVE	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 50,000 WHICHEVER IS LESS MINUS \$ 1,000 DED. FOR EACH COVERED AUTO, FOR ALL LOSS EXCEPT FIRE OR LIGHTNING				INCL
SPECIFIED CAUSES OF LOSS	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ WHICHEVER IS LESS MINUS \$25 DED. FOR EACH COVERED AUTO, FOR LOSS CAUSED BY MISCHIEF OR VANDALISM				
COLLISION	ACTUAL CASH VALUE, COST OF REPAIRS OR \$ 50,000 WHICHEVER IS LESS MINUS \$ 1,000 DED. FOR EACH COVERED AUTO				INCL
			TOTAL PREMIUM		INCL

ITEM FIVE SCHEDULE FOR NONOWNERSHIP LIABILITY

Named Insured's Business	Rating Basis	Number	Premium
Other than a Social Service Agency	Number of Employees		
	Number of Partners		
Social Service Agency	Number of Employees		
	Number of Volunteers		
			TOTAL PREMIUM

ITEM SIX SCHEDULE FOR GROSS RECEIPTS OR MILEAGE BASIS--LIABILITY COVERAGE--PUBLIC AUTO OR LEASING RENTAL CONCERNS

Estimated Yearly	RATES		PREMIUMS	
	<input type="checkbox"/> Per \$100 of Gross Receipts <input type="checkbox"/> Per Mile			
<input type="checkbox"/> Gross Receipts				
<input type="checkbox"/> Mileage	LIABILITY	AUTO MEDICAL COVERAGE	LIABILITY PAYMENTS	AUTO MEDICAL COVERAGE PAYMENTS
	TOTAL PREMIUMS			
	MINIMUM PREMIUMS			

When used as a premium basis:

FOR PUBLIC AUTOS

Gross Receipts means the total amount to which you are entitled for transporting passengers, mail or merchandise during the policy period regardless of whether you or any other carrier originate the transportation. Gross Receipts does not include:

- A.** Amounts you pay to railroads, steamship lines, airlines and other motor carriers operating under their own ICC or PUC permits.
- B.** Advertising Revenue.
- C.** Taxes which you collect as a separate item and remit directly to a governmental division.
- D.** C.O.D. collections for cost of mail or merchandise including collection fees.

Mileage means the total live and dead mileage of all revenue producing units operated during the policy period.

FOR RENTAL OR LEASING CONCERNS

Gross receipts means the total amount to which you are entitled for the leasing or rental of "autos" during the policy period and includes taxes except those taxes which you collect as a separate item and remit directly to a governmental division.

Mileage means the total of all live and dead mileage developed by all the autos you leased or rented to others during the policy period.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM**

SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions of the **BUSINESS AUTO COVERAGE FORM** and **SECTION V - GARAGE CONDITIONS, B. General Conditions** of the **GARAGE COVERAGE FORM** are amended to include the following:

Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TENNESSEE CHANGES

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

A. Changes in Liability Coverage

For a covered "auto" licensed in, or "garage operations" conducted in Tennessee, the OTHER INSURANCE CONDITIONS is changed by adding the following:

1. When two policies providing liability insurance apply to an "auto" and;
 - a. One provides coverage to a named "insured" engaged in the business of selling, repairing, servicing, delivering, testing, road testing, parking or storing "autos";
 - b. The other provides coverage to a person not engaged in that business; and
 - c. At the time of an "accident" a person described in Paragraph **b.** is operating an "auto" owned by the business described in Paragraph **a.**, then that person's liability insurance is primary and the policy issued to a business described in Paragraph **a.** is excess over any insurance available to that person.
2. When two policies providing liability insurance apply to an "auto" and:
 - a. One provides coverage to a named "insured" engaged in the business of

repairing, servicing, parking or storing "autos";

- b. The other provides coverage to a person not engaged in that business; and
- c. At the time of an "accident" an "insured" under the policy described in Paragraph **a.** is operating an "auto" owned by a person described in Paragraph **b.**, then the liability insurance policy issued to the business described in Paragraph **a.** is primary and the policy issued to a person described in Paragraph **b.** is excess over any insurance available to the business.

B. Changes in Conditions

The following replaces the lead-in paragraph in the **Duties in the Event of Accident, Claim, Suit or Loss** Condition in the Business Auto, Garage, Truckers and Motor Carrier Coverage Forms and the **Duties in the Event of Loss** Condition in the Business Auto Physical Damage Coverage Form:

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

THE CINCINNATI INSURANCE COMPANY

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART DECLARATIONS

Previous Policy Number **ETD0530398**Attached to and forming part of POLICY NUMBER **ETD 053 03 98**Effective Date: **07-01-2022****NAMED INSURED** is the same as it appears in the Common Policy Declarations unless another entry is made here.**LIMITS OF INSURANCE**\$ **5,000,000** Each Occurrence Limit \$ **5,000,000** Aggregate Limit**ADVANCE PREMIUM \$ 5,359**

Applicable to Premium, if box is checked:

☒ Subject to Annual Adjustment☐ Subject to Audit (see Premium Computation Endorsement for Rating Basis)**SCHEDULE OF UNDERLYING INSURANCE**

Insurer, Policy Number & Period:	Underlying Insurance:	Underlying Limits:
(a) ACCIDENT FUND GENERAL IN WCV6092184 07-01-2022 TO 07-01-2023	Employer's Liability	Bodily Injury by Accident: \$ 1,000,000 Each Accident Bodily Injury by Disease: \$ 1,000,000 Each Employee Bodily Injury by Disease: \$ 1,000,000 Policy Limit
(b) CINCINNATI INS. CO. ETD 053 03 98 07-01-2022 TO 07-01-2025	<input checked="" type="checkbox"/> Commercial General Liability Including: <input checked="" type="checkbox"/> Products-Completed Operations Coverage <input type="checkbox"/> Cemetery Professional <input type="checkbox"/> Druggist Professional <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Pedorthists Professional or <input type="checkbox"/> Business Liability Including: <input type="checkbox"/> Funeral Service Provider <input type="checkbox"/> Druggist Professional	Bodily Injury and Property Damage Liability: \$ 1,000,000 Each Occurrence Limit \$ 2,000,000 General Aggregate Limit \$ 2,000,000 Products-Completed Operations Aggregate Limit Personal and Advertising Injury Limit: \$ 1,000,000 Any One Person or Organization
(c) CINCINNATI INS. CO. ETA 053 03 98 07-01-2022 TO 07-01-2025	Automobile Liability Including: <input type="checkbox"/> Owned Autos <input checked="" type="checkbox"/> Non-Owned Autos <input checked="" type="checkbox"/> Hired Autos <input type="checkbox"/> Any Auto	Bodily Injury Liability Limit: \$ Each Person \$ Each Occurrence Property Damage Liability Limit: \$ Each Occurrence or Bodily Injury Liability and / or Property Damage Liability or Both Combined Limit: \$ 1,000,000 Each Occurrence

(d)	Professional	\$	
		\$	Aggregate

(e)	CINCINNATI INS. CO. ETD 053 03 98 07-01-2022 TO 07-01-2025	Employee Benefit Liability	\$ 1,000,000 Each Employee Limit \$ 3,000,000 Aggregate Limit
(f)		Liquor Liability	\$ Each Common Cause Limit \$ Aggregate Limit
Other			
(g)	CINCINNATI INS. CO. ETD 053 03 98 07-01-2022 TO 07-01-2025	SEXUAL MISCONDUCT OR SEXUAL MOLESTATION	\$1,000,000 EACH CLAIM \$2,000,000 ANNUAL AGGREGATE

FORMS AND / OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

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UA302	09/17	EXCLUSION OF DESIGNATED PROFESSIONAL SERVICES
US3019	12/04	CORPORAL PUNISHMENT - LIMITATION
US302	12/04	POLLUTANT EXCLUSION - OTHER THAN AUTO
US306	12/04	AUTO LIABILITY LIMITATION
US3078	04/11	COMMUNICABLE DISEASE EXCLUSION
US3089	01/14	RESTRAINT AND REMOVAL OF STUDENT - LIMITATION
US3093	05/14	EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY - WITH LIMITED BODILY INJURY EXCEPTION
US3113	05/19	NEURODEGENERATIVE INJURY EXCLUSION
US352	12/04	PERSONAL PROPERTY CARE, CUSTODY OR CONTROL EXCLUSION
US359	12/19	COLLEGES OR SCHOOLS LIMITATION
US371	09/02	SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIMITATION
US4062	11/05	MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE INSURANCE LAWS - LIMITATION
US407	12/04	EMPLOYEE BENEFIT LIABILITY
US4098	04/10	OFFICE OF FOREIGN ASSETS CONTROL (OFAC) COMPLIANCE ENDORSEMENT
US4099	01/14	EDUCATIONAL INSTITUTIONS PROFESSIONAL SERVICES LIABILITY ENDORSEMENT
US473	12/04	FOREIGN LIABILITY LIMITATION

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COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM

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

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

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED.**

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS.**

SECTION I - COVERAGE

A. Insuring Agreement

1. We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies:
 - a. Which is in excess of the "underlying insurance"; or
 - b. Which is either excluded or not insured by "underlying insurance".
2. This insurance applies to "bodily injury", "personal and advertising injury" or "property damage" only if:
 - a. The "bodily injury", "personal and advertising injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
 - b. The "bodily injury" or "property damage" occurs during the policy period shown in the Declarations; or
 - c. The "personal and advertising injury" results from an "occurrence" that takes place during the policy period shown in the Declarations; and
 - d. Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, or a "personal and advertising injury" offense is committed, you did not know, per Paragraph 5. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, or

that the "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part.

3. "Bodily injury" or "property damage" which:
 - a. Occurs during the "coverage term"; and
 - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have occurred;

includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.
4. "Personal and advertising injury" caused by an offense which:
 - a. Was committed during the "coverage term"; and
 - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have been committed;

includes any continuation, change or resumption of that "personal and advertising injury" offense after the end of the "coverage term" in which it first became known by you.
5. You will be deemed to know that "bodily injury" or "property damage" has occurred, or that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":
 - a. Reports all, or any part, of the "bodily injury", "personal and advertising injury" or "property damage" to us or any other insurer;
 - b. Receives a written or verbal demand or claim for damages because of the "bodily injury", "personal and advertising injury" or "property damage";
 - c. First observes, or reasonably should have first observed, the "bodily injury" or "property damage", or the offense that caused the "personal and advertising injury";
 - d. Becomes aware, or reasonably should have become aware, by any means, other than as described in c. above, that "bodily injury" or "property

damage" had occurred or had begun to occur, or that the "personal and advertising injury" offense had been committed or had begun to be committed; or

- e. Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury", "personal and advertising injury" or "property damage" is substantially certain to occur.
6. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE.**

No other obligation or liability to pay sums or perform acts or services is covered, unless expressly provided for under **SECTION I - COVERAGE, C. Defense and Supplementary Payments.**

B. Exclusions

This insurance does not apply to:

1. Asbestos

Any liability arising out of, attributable to or any way related to asbestos in any form or transmitted in any manner.

2. Breach of Contract, Failure to Perform, Wrong Description and Violation of Another's Rights

"Personal and advertising injury":

- a. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- b. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- c. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement"; or
- d. Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

3. Contractual Liability

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

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "personal and advertising injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

4. Damage to Impaired Property or Property Not Physically Injured

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

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

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

5. Damage to Property

"Property damage" to property owned by any insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

6. Damage to Your Product

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

7. Damage to Your Work

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

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

8. Distribution of Material in Violation of Statutes

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

9. Electronic Chatrooms or Bulletin Boards

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

10. Electronic Data

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

11. Employer's Liability Limitation

Any liability arising from any injury to:

- a. An "employee" of the insured sustained in the "workplace";
- b. An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of **a.** or **b.** above.

This exclusion applies:

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

This exclusion does not apply when such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

12. Employment-Related Practices

Any liability arising from any injury to:

- a. A person arising out of any:
 - (1) Refusal to employ that person;
 - (2) Termination of that person's employment; or
 - (3) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

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

13. Expected or Intended Injury

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually intended or expected.

However, this exclusion does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force to prevent or eliminate danger in the operation of "autos" or watercraft.

14. Falsity, Prior Publication, Criminal Act and Media and Internet Type Businesses

"Personal and advertising injury":

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the later of the following:
 - (1) The inception of this Coverage Part; or
 - (2) The "coverage term" in which insurance coverage is sought;
- c. Arising out of a criminal act committed by or at the direction of the insured; or
- d. Committed by an insured whose business is:
 - (1) Advertising, broadcasting, publishing or telecasting;
 - (2) Designing or determining content of web-sites for others; or
 - (3) An Internet search, access, content or service provider.

However, Paragraph **d.** does not apply to Paragraphs **17.a., b., c., d.** and **i.** of "personal and advertising injury" under **SECTION V - DEFINITIONS.**

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

15. Infringement of Copyright, Patent, Trademark or Trade Secret

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

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

16. Pollutant - Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
 - (1) That are, or that are contained in any property that is:

- (a) Being transported or towed by, handled, or handled for movement into, onto or from, an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
 - (b) Otherwise in the course of transit by or on behalf of the insured; or
 - (c) Being stored, disposed of, treated or processed in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; or
 - (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion to the place where they are finally delivered, disposed of or abandoned by the insured.

Paragraph **(1)** above does not apply to "bodily injury" or "property damage" arising from fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion or its parts, if:

- (a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and

- (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in Paragraphs **f.(2)** and **(3)** of the definition of "mobile equipment".

However, this exception to Paragraph **(1)** does not apply if the fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed, emitted or released.

Paragraphs **(2)** and **(3)** above do not apply to an "occurrence" that occurs away from premises owned by or rented to an insured with respect to "pollutants" not in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; and
 - (b) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- b. Any liability caused by "pollutants" and arising from the operation, maintenance, use, "loading or unloading" of an "auto", for which insurance coverage is excluded by "underlying insurance".

17. Pollutant - Other Than Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
 - (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

However, Paragraph **a.(1)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the

"underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use by the building's occupants or their guests;
 - (b) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to your "underlying insurance" as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;
 - (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the "pollutants" are brought on or to the

premises, site or location in connection with such operations by such insured, contractor or subcontractor.

However, Paragraph **a.(4)** of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
- (b)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (c)** "Bodily injury" or "property damage" arising out of heat,

smoke or fumes from a "hostile fire"; or

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

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

- c.** Any loss, cost or expense arising out of any:

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

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

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

- d.** Any liability caused by "pollutants", for which insurance coverage is excluded by "underlying insurance".

18. Recall of Products, Work or Impaired Property

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

- a.** "Your product";

- b. "Your work"; or
- c. "Impaired Property";

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

19. Unauthorized Use of Another's Name or Product

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

20. Uninsured / Underinsured Motorist

Any liability or obligation to any insured or anyone else under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury law.

21. War

Any liability, however caused, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

22. Workers' Compensation

Any liability or obligation of the insured under any workers' compensation, unemployment compensation, disability benefits or similar law. However, this exclusion does not apply to liability of others assumed by you under an "insured contract" in existence at the time of "occurrence".

C. Defense and Supplementary Payments

1. We will have the right and duty to defend the insured against any "suit" seeking damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies. We will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "personal and advertising

injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result when:

- a. The applicable limits of the "underlying insurance" and any other insurance have been exhausted by payment of claims; or
 - b. Damages are sought for "bodily injury", "personal and advertising injury" or "property damage" which are not covered by "underlying insurance" or other insurance.
2. Our right and duty to defend ends when the applicable Limits of Insurance, as stated in the Declarations, has been exhausted by payment of claims.
 3. We have no duty to investigate, settle or defend any claim or "suit" other than those circumstances described in Paragraph **C.1**. However, we do have the right to participate in the investigation, settlement or defense of any claim or "suit" to which this insurance applies. If we exercise this right, we will do so at our expense.
 4. If there is no underlying insurer or other insurance obligated to do so, we will pay the following when we provide a defense:
 - a. All expenses we incur.
 - b. The cost of bail bonds up to \$3,000. We do not have to furnish these bonds.
 - c. The cost of bonds to appeal a judgment or award in any claim or "suit" we defend and the cost of bonds to release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.
 - d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including the actual loss of earnings.
 - e. All costs taxed against the insured in the "suit".
 5. If there is no underlying insurer obligated to do so, we will pay the following for an "occurrence" to which this insurance applies, even if we have no duty to provide a defense:
 - a. Prejudgment interest awarded against the insured on that part of the

judgment we become obligated to pay and which falls within the applicable Limit of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any pre-judgment interest based on the period of time after the offer.

- b. All interest awarded against the insured on the full amount of any judgment that accrues:
 - (1) After entry of the judgment; and
 - (2) Before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
- 6. The payments described in Paragraphs 4. and 5. above will not reduce the Limits of Insurance provided by this Coverage Part when defense or supplementary payments provided by the "underlying insurance" do not reduce their Limits of Insurance. However, when defense or supplementary payments provided by the "underlying insurance" reduce their Limits of Insurance then such expense payments paid by us will reduce the Limits of Insurance provided by this Coverage Part.
- 7. If we are prevented by law or otherwise from carrying out any of the provisions of **SECTION I - COVERAGE, C. Defense and Supplementary Payments**, we will pay any expense incurred with our written consent.

SECTION II - WHO IS AN INSURED

- 1. Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto":
 - a. If you are designated in the Declarations as:
 - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - (2) A partnership or joint venture, you are an insured. Your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
 - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.

- (4) An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Each of the following is also a Named Insured:
 - (a) Any "subsidiary" company of such organization, including any "subsidiary" of such "subsidiary":
 - 1) Existing at the inception of this Coverage Part; or
 - 2) Formed or acquired on or after the inception of this Coverage Part.
 - (b) Any other company controlled and actively managed by such organization or any "subsidiary" thereof:
 - 1) At the inception of this Coverage Part; or
 - 2) If the control and active management thereof is acquired on or after the inception of this Coverage Part.
- (5) A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

b. Each of the following is also an insured:

- (1) Any "employee" of yours while acting within the scope of their duties as such.
- (2) Any person or organization while acting as your real estate manager.
- (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
- (4) Your legal representative if you die, but only with respect to duties as such.
- 2. Only with respect to liability arising out of the ownership, maintenance, occupancy or use of an "auto":
 - (1) Any "employee" of yours while acting within the scope of their duties as such.
 - (2) Any person or organization while acting as your real estate manager.
 - (3) Any person or organization having proper temporary custody of your property if you die, but only:
 - (a) With respect to liability arising out of the maintenance or use of that property; and
 - (b) Until your legal representative has been appointed.
 - (4) Your legal representative if you die, but only with respect to duties as such.

- a. You are an insured.
- b. Anyone else while using with your permission an "auto" you own, hire or borrow is also an insured except:
 - (1) The owner or any other person or organization (except your "executive officers" or principals) from whom you hire or borrow an "auto", unless such persons or organizations are insureds in your "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance". This exception does not apply if the "auto" is a trailer or semi-trailer connected to an "auto" you own.
 - (2) Your "employee", if the "auto" is owned by that "employee" or a member of his or her household, unless:
 - (a) Such "employee" is an insured with respect to that "auto" in the "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance"; or
 - (b) The "bodily injury" or "property damage" is sustained by a co-"employee" of such "employee".
 - (3) Someone using an "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos", unless that business is yours.
 - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
- c. Anyone liable for the conduct of an insured described in Paragraphs **2.a.** and **b.** above is also an insured, but only if they are provided insurance coverage for such liability by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is provided by such "underlying insurance".
- 3. At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs **1.** and **2.** above covered in the "underlying insurance" listed in the Schedule of Underlying Insurance are also insureds, but only to the extent that insurance is

provided for such additional insureds thereunder.

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

SECTION III - LIMITS OF INSURANCE

- 1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
- 2. The Aggregate Limit is the most we will pay for all damages:
 - a. Included in the "products-completed operations hazard";
 - b. Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you; or
 - c. Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.** or **b.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.** and **c.** The Aggregate Limit described in **c.** will apply only to damages not subject to **a.** or **b.** above.
- 3. Subject to the Limit of Insurance described in **2.c.** above:
 - a. Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2.a.** or **b.** above that is applicable separately to each:
 - (1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to operations at only a single location, then the Aggregate Limit described in **2.c.** above applies separately to each location owned by, or rented or leased to you.

- (2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed only to ongoing operations and only at a single construction project, then the Aggregate Limit described in **2.c.** above applies separately to each of your construction projects.
- b. Only with respect to the application of Limits of Insurance described in **3.a.** above, the following terms location and construction project will have the following meanings:
- (1) Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- (2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.
4. Subject to the limits described in **2.** and **3.** above, the Each Occurrence Limit is the most we will pay for the "ultimate net loss":
- a. In excess of the applicable limits of "underlying insurance"; or
- b. If an "occurrence" is not covered by "underlying insurance", but covered by the terms and conditions of this Coverage Part,

Because of all "bodily injury", "personal and advertising injury" and "property damage" arising out of any one "occurrence".

We will not pay more than the Limit of Insurance shown in this Coverage Part's Declarations for each "occurrence" because any Personal Umbrella Liability Policy(ies) is / are attached to this policy.

5. Subject to the limits described in **2.**, **3.** and **4.** above and to the terms and conditions of the "underlying insurance":
- a. If the limits of "underlying insurance" have been reduced by payment of claims, this

Coverage Part will continue in force as excess of the reduced "underlying insurance"; or

- b. If the limits of "underlying insurance" have been exhausted by payment of claims, this Coverage Part will continue in force as "underlying insurance".

6. The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

SECTION IV - CONDITIONS

1. Appeals

If the insured or any insurer who provides the applicable "underlying insurance" elects not to appeal a judgment which exceeds the "underlying limit", we may elect to do so at our own expense. We shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall this provision increase our liability beyond:

- a. Our applicable Limits of Insurance for all "ultimate net loss";
- b. Our applicable Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments**; and
- c. The expense of such appeal.

2. Audit

If this Coverage Part is subject to Audit, as indicated in the Declarations, then the following Condition applies:

- a. The premium shown in the Premium Computation Endorsement as Advance Premium is a deposit premium. At the close of each audit period, we will compute the earned premium for that period. If:

- (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
- (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us. The due date for audit and retrospective premiums is the date shown as the due date on the bill.

However, in no event will the earned premium be less than the Minimum Premium stated in the Premium Computation Endorsement.

- b. The first Named Insured must keep records of the information we need for pre-

mium computation, and send us copies at such times as we may request.

3. Bankruptcy

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

4. Duties in the Event of Occurrence, Claim or Suit

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

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

This requirement applies only when the "occurrence" is known to an "authorized representative".

- b. If a claim is made or "suit" is brought against any insured that is likely to involve this Coverage Part, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

This requirement will not be considered breached unless the breach occurs after such claim or "suit" is known to an "authorized representative".

- c. You and any other involved insured must:

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

- d. No insured will, except at that insured's own cost, voluntarily make a payment,

assume any obligation, or incur any expense, other than for first aid, without our consent.

5. First Named Insured

The person or organization first named in the Declarations will act on behalf of all other insureds where indicated in this Coverage Part.

6. Legal Action Against Us and Loss Payments

- a. No legal action may be brought against us unless there has been full compliance with all the terms of this Coverage Part nor until the amount of the insured's obligation to pay has been finally determined as provided below. No person or organization has any right under this Coverage Part to bring us into any action to determine the liability of the insured.

- b. We shall be liable for payment of the "ultimate net loss" for any "occurrence" to which this Coverage Part applies:

- (1) For "occurrences" not covered by "underlying insurance"; or
- (2) In excess of the "underlying limit" applicable to the "occurrence" only after the insurers who provide the applicable "underlying insurance" have paid or become obligated to pay the amount of the "underlying limit" applicable to the "occurrence".

Our payment will be made following final determination of the amount of the insured's obligation to pay either by final judgment against the insured or by written agreement with the insured, the claimant, the underlying insurers and us.

7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

Will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

8. Maintenance of Underlying Insurance

- a. While this Coverage Part is in effect, the insured shall maintain in force the "underlying insurance" listed in the Schedule of Underlying Insurance as collectible insurance. The terms, conditions and endorsements of "underlying insurance" will not materially change and renewals or replacements of "underlying insurance" will not be more restrictive in coverage.
- b. Limits of "underlying insurance" will not be reduced, except for any reduction or exhaustion in the aggregate limits of insurance due to payment of claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
- c. In the event you fail or neglect to maintain "underlying insurance" as required, this Coverage Part will apply as though such "underlying insurance" was in force and collectible at the time a claim is presented to us which is in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
- d. The limits of "underlying insurance" shall be deemed applicable, regardless of any defense which the insurer who provides the "underlying insurance" may assert because of the insured's failure to comply with any Condition of the policy or the inability of the insurer to pay by reason of bankruptcy or insolvency.

9. Other Insurance

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

10. Premium

The premium for this Coverage Part shall be as stated in the Declarations. The advance and anniversary premiums are not subject to adjustment, except as stated in the Declarations, or as stated in an endorsement issued by us to form a part of this Coverage Part.

You shall maintain records of such information as is necessary for premium computation, and shall, if requested by us, send copies of such records to us at the end of the "coverage term" and at such times during the policy period as we may direct.

11. Representations

- a. By acceptance of this Coverage Part, you agree that the statements in the Declarations are your agreements and representations, that this Coverage Part is issued in reliance upon the truth of such representations and that this Coverage Part embodies all agreements existing between you and us or any of our agents relating to this insurance.
- b. However, to the extent that the following applies in the "underlying insurance" listed specifically in the Schedule of Underlying Insurance, it will also apply to this Coverage Part:

Based on our reliance upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this Coverage Part, we will not reject coverage under this Coverage Part based solely on such failure.

12. Separation of Insureds

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

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

13. Transfer of Rights of Recovery Against Others to Us

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. Any recoveries shall be applied as follows:
 - (1) First, we will reimburse anyone, including the insured, the amounts actually paid by them that were in excess of our payments;
 - (2) Next, we will be reimbursed to the extent of our actual payment; and
 - (3) Lastly, any amounts left after meeting the obligations outlined in (1) and (2) above will be distributed to anyone else known to us at the time a recovery is made and who is legally entitled to such recovery.

Expenses incurred in the recovery shall be apportioned among all interests in the ratio of their respective recoveries as finally settled. If there is no recovery as a result of our attempts, we shall bear all of the recovery expenses.

- c. If prior to an "occurrence" to which this Coverage Part would apply, you and the issuer of your applicable "underlying insurance" listed specifically in the Schedule of Underlying Insurance waive any right of recovery against a person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

14. When We Do Not Renew

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

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

SECTION V - DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For the purposes of this definition:
 - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Authorized representative" means:
 - a. If you are:
 - (1) An individual, you and your spouse are "authorized representatives".
 - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
 - (3) A limited liability company, your members and your managers are "authorized representatives".
 - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers"

and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".

- (5) A trust, your trustees are "authorized representatives".
 - b. Your "employees" assigned to manage your insurance program, or assigned to give or receive notice of an "occurrence", claim or "suit" are also "authorized representatives".
3. "Auto" means:
 - a. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

"Auto" does not include "mobile equipment".

4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
 - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
 - (1) The day the policy period shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
 - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means anywhere.

7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
10. "Hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - b. You have failed to fulfill the terms of a contract or agreement,
 if such property can be restored to use by:
 - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
 - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
 - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
 - b. A sidetrack agreement;
 - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - e. An elevator maintenance agreement;
 - f. That part of any other contract or agreement pertaining to your business, other

than a contract or agreement pertaining to the rental or lease of any "auto", (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or

- g. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

Paragraphs **f.** and **g.** do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing. However, if such liability is insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, this Paragraph (1) shall not apply for such hazards for which insurance coverage is afforded by such "underlying insurance";
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
 - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
 - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services,

including those listed in Paragraph **(2)** above and supervisory, inspection, architectural or engineering activities;

- (4)** That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
- (5)** Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph **(4)**, above;
- (6)** That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet Services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks;
- (7)** Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph **(6)**, above;
- (8)** That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- (9)** That holds a person or organization engaged in the business of transporting property by "auto" for hire harm-

less for your use of an "auto" over a route or territory that person or organization is authorized to serve by public authority.

- 13.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
- 14.** "Loading or unloading" means the handling of property:
 - a.** After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
 - b.** While it is in or on an aircraft, watercraft or "auto"; or
 - c.** While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".
- 15.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
 - a.** Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - b.** Vehicles maintained for use solely on or next to premises you own or rent;
 - c.** Vehicles that travel on crawler treads;
 - d.** Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1)** Power cranes, shovels, loaders, diggers or drills; or
 - (2)** Road construction or resurfacing equipment such as graders, scrapers or rollers;
 - e.** Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1)** Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or

- (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

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

- (1) Equipment designed primarily for:
- (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

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

16. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general harmful conditions, act or offense shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

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

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- g. The use of another's advertising idea in your "advertisement";
- h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
- i. Discrimination, unless insurance coverage therefor is prohibited by law or statute.

18. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, reconditioned or reclaimed. "Pollutants" include, but are not limited to, substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:

- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
- b. The insured uses, generates or produces the "pollutant".

19. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or

- (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
- (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the site has been completed, if your contract calls for work at more than one site.
 - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:
- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
20. "Property damage" means:
- a. Physical injury to or destruction of tangible property including all resulting loss of use. All such loss of use shall be deemed to occur at the time of the physical injury or destruction that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
21. "Subsidiary" means any organization in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination, by one or more of the Named Insureds.
22. "Suit" means a civil proceeding in which money damages because of "bodily injury", "personal and advertising injury" or "property dam-

age" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such money damages are claimed and to which the insured must submit or does submit with our consent;
 - b. Any other alternative dispute resolution proceeding in which such money damages are claimed and to which the insured submits with our consent; or
 - c. An appeal of a civil proceeding.
23. "Temporary worker" means a person who is furnished to you to:
- a. Substitute for a permanent "employee" on leave; or
 - b. Meet seasonal or short-term workload conditions.
24. "Ultimate net loss" means the sum actually paid or payable in the settlement or satisfaction of the insured's legal obligation for damages, covered by this insurance, either by adjudication or compromise. "Ultimate net loss" does not include Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments** of this Coverage Part.
25. "Underlying insurance" means the insurance listed in the Schedule of Underlying Insurance and the insurance available to the insured under all other insurance policies applicable to the "occurrence". "Underlying insurance" also includes any type of self-insurance or alternative method by which the insured arranges for funding of legal liabilities that affords coverage that this Coverage Part covers.
26. "Underlying limit" means the total of the applicable limits of all "underlying insurance" less the amount, if any, by which the applicable limit of the applicable policy listed in the Schedule of Underlying Insurance has been reduced solely by payment of loss resulting from claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement**, Paragraph 2. of this Coverage Part.
27. "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".
28. "Your product":
- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a)** You;
 - (b)** Others trading under your name; or
 - (c)** A person or organization whose business or assets you have acquired; and
- (2)** Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b.** Includes:
 - (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
 - (2)** The providing of or failure to provide warnings or instructions.

- c.** Does not include vending machines or other property rented to or located for the use of others but not sold.
- 29. "Your work":**
 - a.** Means:
 - (1)** Work or operations performed by you or on your behalf; and
 - (2)** Materials, parts or equipment furnished in connection with such work or operations.
 - b.** Includes:
 - (1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2)** The providing of or failure to provide warnings or instructions.

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

A. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

1. Any liability:
 - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any liability resulting from the "hazardous properties" of "nuclear material", if
 - a. The "nuclear material" (1) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom,
 - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
 - c. The injury or damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territo-

ries or possessions or Canada, this Exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

B. SECTION V - DEFINITIONS is hereby modified to add the following definitions:

1. "Hazardous properties" include radioactive, toxic or explosive properties;
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material";
3. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
5. "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
6. "Nuclear facility" means:
 - a. Any "nuclear reactor";
 - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", (3) or handling, processing or packaging "waste";
 - c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear materials", if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combina-

tion thereof, or more than 250 grams of uranium 235;

- d.** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

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

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

- 8.** "Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability due to the rendering of or failure to render any professional service shown in the Schedule.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal and advertising injury", involved the rendering of or the failure to render the professional service(s) listed in the Schedule to others.

SCHEDULE

- 1. EDUCATORS LEGAL LIABILITY**
- 2.**
- 3.**

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF DESIGNATED PROFESSIONAL SERVICES

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability due to the rendering of or failure to render any professional service shown in the Schedule.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury", "property damage" or "personal and advertising injury", involved the rendering of or the failure to render the professional service(s) listed in the Schedule to others.

SCHEDULE

- 1. SCHOOL ADMINISTRATORS LEGAL LIABILITY**
- 2.**
- 3.**

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CORPORAL PUNISHMENT - LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

Exclusion **13. Expected or Intended Injury** (Exclusion **1.m.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is amended to include the following:

It is agreed and understood that this exclusion shall not apply to "bodily injury" sustained by any student or pupil of yours which arises out of corporal punishment administered by or at the direction of any insured, provided such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**POLLUTANT EXCLUSION - OTHER THAN AUTO**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified as follows:

Exclusion **17. Pollutant - Other Than Auto** (Exclusion **1.q.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is hereby deleted and replaced by the following:

Pollutant - Other Than Auto

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":
 - (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.
 - (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
 - (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
 - (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

Subparagraphs **a.(1)** and **a.(4)** do not apply:

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

- (b) If insurance is provided to the insured by "underlying insurance" specifically listed in the Schedule of Underlying Insurance at the "underlying limit" scheduled, but only to the extent "bodily injury" or "property damage" coverage is provided by that "underlying insurance" specifically listed in the Schedule of Underlying Insurance and subject to all its terms and conditions.

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

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

- c. Any loss, cost or expense arising out of any:

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

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

- d. Any liability caused by "pollutants" excluded by "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO LIABILITY LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any "auto", unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMUNICABLE DISEASE EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability, claim, or suit, arising out of the actual or alleged transmission of a communicable disease.

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

- a.** Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- b.** Testing for a communicable disease;
- c.** Failure to prevent the spread of the disease; or
- d.** Failure to report the disease to authorities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RESTRAINT AND REMOVAL OF STUDENT - LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

Exclusion **13.** Expected or Intended Injury (Exclusion **1.m.** in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made) is amended to include the following:

It is agreed and understood that this exclusion shall not apply to:

- a.** "Bodily injury" resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your function, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts and if such reasonable force is administered in compliance with your rules and regulations; or
- b.** "Bodily injury" sustained by any student or pupil of yours which arises out of corporal punishment administered by or at the direction of any insured pursuant to the named insured's accepted or approved guidelines and not in violation of any state or federal law or regulation,

provided such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL
OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY
- WITH LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to delete Exclusion **10. Electronic Data** in its entirety and replace it with the following:

This insurance does not apply to:

10. Access or Disclosure of Confidential or Personal Information and Data-Related Liability

Any liability arising out of:

- a.** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- b.** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

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

However, this exclusion does not apply:

- (1)** To damages because of "bodily injury", unless Paragraph **a.** above applies; and
- (2)** When such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEURODEGENERATIVE INJURY EXCLUSION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

- A. SECTION I - COVERAGE, B. Exclusions** (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Neurodegenerative Injury

Damages for "bodily injury" or "personal and advertising injury" arising from a "neurodegenerative injury" to a "participant" resulting from, arising out of or in any way relating to the participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" or offense which caused the "bodily injury" or "personal and advertising injury" involved participation in, observance of, or monitoring of any athletic or sports game, contest, activity, practice, scrimmage or exhibition.

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

1. "Neurodegenerative injury" means any actual or alleged, head injury, brain injury, neurological injury, neurocognitive injury or brain neurological or neurocognitive disorder, disease, condition or dysfunction, including, but not limited to, Alzheimer's disease, Parkinson's disease, amyotrophic lateral sclerosis, mild traumatic brain injury, brain injury, repetitive brain trauma, cumulative brain trauma, chronic traumatic encephalopathy, dementia, cognitive injury or disorder, memory loss, loss of concentration, anxiety disorder, mood disorder, depression, sleeplessness, impulse control problems, headaches, speech and language impairment, post-concussion syndrome, second-impact syndrome, or single or repetitive concussive or sub-concussive injury or trauma or any injury or condition identified within the medical field as a neurodegenerative consequence of brain or head injury.
2. "Participant" means any person engaged in any athletic activities. "Participant" does not include spectators, referees, umpires or coaching staff.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**PERSONAL PROPERTY
CARE, CUSTODY OR CONTROL EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

"Property damage" to personal property not owned by an insured and in the care, custody or control of an insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**COLLEGES OR SCHOOLS LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

If insurance is provided to the insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, the following exclusions do not apply, but only to the extent insurance is provided at the "underlying limit" scheduled for such "underlying insurance" and subject to all its limitations and exclusions:

This insurance does not apply to:

1. "Bodily injury" resulting from the use of reasonable force to restrain or remove a student whose behavior is interfering with the orderly exercise and performance of your function, duties and powers, if that student has refused to comply with a request to refrain from further disruptive acts and if such reasonable force is administered in compliance with your rules and regulations;
2. "Bodily injury" or "personal and advertising injury" to any pupil arising out of corporal punishment administered by or at the direction of any insured pursuant to the named insured's accepted or approved guidelines and not in violation of any state or federal law or regulation;
3. Disability, shock, fright, mental anguish, or mental injury including care, loss of services or death resulting from any of these;
4. False arrest, detention or imprisonment, wrongful eviction, wrongful entry, abuse of process or malicious prosecution;
5. Discrimination, harassment of any kind committed by any person or humiliation;
6. Libel, slander or defamation of character, invasion of the right of private occupancy or invasion of rights of privacy; or
7. "Bodily injury" to any person arising out of practicing for or participating in any sports or athletic contest or exhibition if there is no direct management, organization or supervision

of such sports or athletic contest or exhibition by any insured.

8. With respect to the transportation of students:

"Bodily injury" or "property damage" arising out of the ownership, maintenance, operation, use, "loading or unloading" or entrustment to others of any aircraft, "auto", or watercraft that is owned, operated or hired by an insured.

For the purpose of this exclusion, the word hired includes any contract to furnish transportation of your students to and from schools.
9. Any liability caused by:
 - a. The rendering of or failure to render:
 - (1) Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;
 - (2) Any health or therapeutic service, treatment, advice or instruction; or
 - (3) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.
 - b. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
 - c. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

Exclusions 1. through 9. above apply even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury" or other injury, involved that which is described in Exclusions 1. through 9. above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEXUAL MISCONDUCT OR SEXUAL MOLESTATION LIMITATION

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

I. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

Any liability arising out of actual or alleged sexual misconduct or sexual molestation unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is afforded by such "underlying insurance".

II. SECTION III - LIMITS OF INSURANCE is modified as follows:

Paragraphs **2.** and **3.** are deleted and replaced by the following:

2. The Aggregate Limit is the most we will pay for all damages:

- a.** Included in the "products-completed operations hazard";
- b.** Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you;
- c.** Arising from sexual misconduct or sexual molestation liability to which this Coverage Part applies; or
- d.** Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.**, **b.** or **c.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.**, **c.** and **d.** The Aggregate Limit described in **d.** will apply only to damages not subject to **a.**, **b.** or **c.** above.

3. Subject to the Limit of Insurance described in **2. d.** above:

- a.** Only in the event that "underlying insurance" specifically listed in the Schedule Of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2. a.**, **b.** or **c.** above that is applicable separately to each:

(1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a single location, then the Aggregate Limit described in **2. d.** above applies separately to each location owned by, or rented or leased to you.

(2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a single project, then the Aggregate Limit described in **2. d.** above applies separately to each of your construction projects.

- b.** Only with respect to the application of Limits of Insurance described **3. a.** above, the following terms location and construction project will have the following meanings:

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

(2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**MOBILE EQUIPMENT SUBJECT TO MOTOR VEHICLE
INSURANCE LAWS - LIMITATION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph **1.**) is modified to add the following:

This insurance does not apply to:

Any liability arising out of the ownership, maintenance, occupancy, operation, use, "loading or unloading" of any land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law, unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance", unless otherwise excluded by this Coverage Part.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE BENEFIT LIABILITY

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

This policy is modified to add the following:

I. SECTION I - COVERAGE, A. Insuring Agreement(s) is modified to add the following:

EMPLOYEE BENEFIT LIABILITY:

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages because of any negligent act, error or omission of the insured or any other person for whose acts the insured is legally liable arising out of the administration of the insured's employee benefit programs.

This insurance applies only to negligent acts, errors or omissions:

- a.** Whose damages are in excess of the "underlying insurance" provided by an Employee Benefit Liability policy listed in the Schedule of Underlying Insurance; and
- b.** Which occur during the policy period.

II. SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following exclusion:

This insurance does not apply to:

Any liability arising out of employee benefit programs unless such liability is covered by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is afforded by such "underlying insurance".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**OFFICE OF FOREIGN ASSETS CONTROL (OFAC)
COMPLIANCE ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION - IV CONDITIONS is amended to include the following:

Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EDUCATIONAL INSTITUTIONS PROFESSIONAL SERVICES LIABILITY ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

SCHEDULE

Professional
Services: _____

This policy is modified to add the following:

I. SECTION I - COVERAGE, A. Insuring Agreement is modified to add the following:

We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages in excess of the "underlying insurance" because of "professional liability" to which this Coverage Part applies and which occurs during the policy period and is caused by an "occurrence".

The terms, definitions, conditions, limitations and exclusions of the "underlying insurance" covering "professional liability" as specified in the Schedule of Underlying Insurance are made a part of this Coverage Part except for any term, definition or condition relating to any duty to investigate or defend, the limits of insurance, payment of expenses, premium, cancellation, other insurance or our right to recover payments, in which case the provisions of this Coverage Part apply, including any renewal agreement or any exclusion or limitation in this Coverage Part applicable to "professional liability".

II. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

- a.** Any liability or damages arising from "professional liability", including but not limited to "bodily injury", "personal and advertising injury" or "property damage".

However, this exclusion will not apply if coverage for "professional liability" is provided by valid and collectible "underlying insurance", but only for such hazards for which coverage is afforded by such "underlying insurance".

- b.** Any liability, damages or expenses resulting from a claim or "suit" seeking only in-

junctive relief, declaratory judgment, declaratory decree or other non-monetary relief. This exclusion applies even if such coverage is provided by underlying insurance.

III. SECTION II - WHO IS AN INSURED is modified as follows:

- A.** The lead in statement for Paragraph 1. is deleted and replaced by the following:

- 1.** Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto", or "professional liability":

- B.** The following Paragraph is added:

- 3.** Only with respect to liability arising from "professional liability":

Only those natural persons or other entities:

- a.** For whom insurance coverage is provided by the "underlying insurance" specifically listed in the Schedule of Underlying Insurance applicable to "professional liability" are insureds; and

- b.** Only to the extent they enjoy insured status thereunder,

unless otherwise limited by the terms and conditions of this Coverage Part.

- C.** The previous Paragraph 3. is deleted and replaced by the following:

- 4.** At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs 1. and 2. above covered in the "underlying insurance" listed in

the Schedule of Underlying Insurance", other than that applicable to "professional liability", are also insureds, but only to the extent that insurance is provided for such additional insureds thereunder.

IV. SECTION III - LIMITS OF INSURANCE is modified as follows:

A. Paragraphs **2.** and **3.** are deleted in their entirety and replaced by the following:

2. The Aggregate Limit is the most we will pay for all damages:

- a.** Included in the "products-completed operations hazard", or arising out of "professional liability" which is not subject to a separate Aggregate Limit of Insurance in the "underlying insurance";
- b.** Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you;
- c.** Because of "professional liability" which is subject to a separate Aggregate Limit of Insurance in the "underlying insurance"; or
- d.** Because of "bodily injury", "personal and advertising injury" or "property damage" not included within **a.**, **b.** or **c.** above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to **a.**, **b.**, **c.** and **d.** The Aggregate Limit described in **d.** will apply only to damages not subject to **a.**, **b.** or **c.** above.

3. Subject to the Limit of Insurance described in **2.d.** above:

- a.** Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to **2.a.**, **b.** or **c.** above that is applicable separately to each:

- (1)** Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a

single location, then the Aggregate Limit described in **2.d.** above applies separately to each location owned by, or rented or leased to you.

- (2)** Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to a single project, then the Aggregate Limit described in **2.d.** above applies separately to each of your construction projects.

- b.** Only with respect to the application of Limits of Insurance described in **3.a.** above, the following terms location and construction project will have the following meanings:

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

- (2)** Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

B. Paragraph **4.** is deleted in its entirety and replaced by the following:

- 4.** Subject to the limits described in **2.** and **3.** above the Each Occurrence Limit is the most we will pay for the "ultimate net loss":

- a.** In excess of the applicable limits of "underlying insurance"; or
- b.** If an "occurrence" is not covered by "underlying insurance", but

covered by the terms and conditions of this Coverage Part,

because of all "bodily injury", "personal and advertising injury", "property damage" and "professional liability" arising out of any one "occurrence".

C. The following is added:

The most we will pay for all damages arising out of "professional liability", whether arising out of any one "occurrence", or in the aggregate in any one "coverage term" is the lesser of:

1. The Limits of Insurance stated in the Declarations; or
2. \$10,000,000.

However, this provision does not apply to "professional liability" arising out of professional services:

- a. Performed by a veterinarian, optometrist, optician, dentist, nurse, beautician, barber, pedorthist, druggist, animal groomer, funeral director, minister, social service provider; or
- b. Provided in the operation of a cemetery.

V. SECTION V - DEFINITIONS is modified as follows:

A. The following definitions are added:

1. "Covered professional services" means:
 - a. Educational counseling services; or
 - b. Professional nursing, emergency medical technician, paramedics, psychological or psychometric counseling, athletic training, or speech, hearing, occupational or physical therapy service, treatment or advice,

provided or failed to be provided by your "employee" or your "volunteer worker" to your "employees" or students.

2. "Professional liability" means injury arising from the rendering or failure to render:

- a. "Covered professional services"; or
- b. The professional services described in the Schedule of this endorsement.

B. Definition **16.** "Occurrence" is deleted in its entirety and replaced by the following:

16. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury"; or
- c. A negligent act, wrongful act, error, omission, malpractice or mistake that results in "professional liability".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general conditions, negligent act, offense, wrongful act, error, omission, malpractice or mistake shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FOREIGN LIABILITY LIMITATION

This endorsement modifies insurance provided under the following:

**COMMERCIAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART
PROFESSIONAL UMBRELLA LIABILITY COVERAGE PART - CLAIMS-MADE**

SECTION I - COVERAGE, B. Exclusions (and in the Professional Umbrella Liability Coverage Part and the Professional Umbrella Liability Coverage Part - Claims-Made only: Subparagraph 1.) is modified to add the following:

This insurance does not apply to:

Any liability arising from an "occurrence" taking place outside of the United States of America, its territories or possessions, Puerto Rico or Canada, unless such liability is covered by valid and collectible "underlying insurance" as described in the Schedule of Underlying Insurance, and then only for such liability for which coverage is afforded by such "underlying insurance".

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

**CINCINNATI DATA DEFENDER™ COVERAGE PART
DECLARATIONS**

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

Attached to and forming part of POLICY NUMBER: **ETD 053 03 98** Effective Date **07-01-2022**

Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.

Retroactive Date: 07-01-2019

Limits of Insurance and Deductible

Insuring Agreement	Annual Aggregate	Sublimit	Deductible
A Response Expenses	\$50,000	Forensic IT Review \$25,000 Legal Review \$25,000 PR Services \$25,000	\$1,000
B Defense and Liability	\$50,000	Regulatory Fines and Penalties \$25,000 PCI Fines and Penalties \$25,000	\$1,000
C Identity Recovery	\$25,000	Lost Wages and Child and Elder Care \$5,000 Mental Health Counseling \$1,000 Miscellaneous Unnamed Costs \$1,000	\$250

TOTAL ANNUAL PREMIUM**\$342**

Optional Supplemental Extended Reporting Period - Term:	Optional Supplemental Extended Reporting Period - Premium:
1 YEAR	257
2 YEAR	513
3 YEAR	684
4 YEAR	855
5 YEAR	941
6 YEAR	1,026

FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

HC102 01/20 CINCINNATI DATA DEFENDER™ COVERAGE FORM

CINCINNATI DATA DEFENDER™ COVERAGE FORM**TABLE OF CONTENTS****Coverage Part Provision:****Begins on Page:**

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CINCINNATI DATA DEFENDER™ COVERAGE FORM

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

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

Throughout this Coverage Part the words "you" and "your" refer to the "named insured" shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

SECTION I - COVERAGES

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which an Aggregate Limit of Insurance is shown in the Declarations:

1. Insuring Agreement A - Response Expenses

- a.** Coverage under Insuring Agreement **A - Response Expenses** applies only if all of the following conditions are met:

- (1)** There has been a "personal data compromise"; and
- (2)** Such "personal data compromise" is first discovered by you during the "coverage term"; and
- (3)** Such "personal data compromise" took place in the "coverage territory"; and
- (4)** Such "personal data compromise" is reported to us within 60 days after the date it is first discovered by you.

- b.** If the conditions listed in **a.** above have been met, then we will provide coverage for the following expenses when they arise directly from the "personal data compromise" described in **a.** above and are necessary and reasonable. Coverages **(4)** and **(5)** apply only if there has been a notification of the "personal data

compromise" to "affected individuals" as covered under coverage **(3)**.

(1) Forensic IT Review

Professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a)** Vulnerabilities in systems, procedures or physical security;
- (b)** Compliance with PCI or other industry security standards; or
- (c)** The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(2) Legal Review

Professional legal counsel review of the "personal data compromise" and how you should best respond to it. If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under

Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals":

(a) The following services apply to any "personal data compromise".

1) Informational Materials

A packet of loss prevention and customer support information.

2) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in **(b)1)** and **2)** below.

Note, calls by "affected individuals" or their representatives to the Help Line do not constitute the making of a "claim" under Insuring Agreement **B** - Defense and Liability.

(b) The following additional services apply to "personal data compromise" events involving "personally identifying information".

1) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

2) Identity Restoration Case Management

As respects any "affected individual" who is or appears to be a victim of "identity theft" that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) PR Services

We will pay the necessary and reasonable fees and expenses you incur, with our prior written consent, for a professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships. We will only pay for such fees and expenses when such a public relations firm review and response is reasonably necessary to avert or mitigate material damage to your business relationships from the "personal data compromise".

Such fees and expenses include costs to implement public relations recommendations of such public relations firm. However, when such recommendations include advertising and special promotions designed to retain your relationship with "affected individuals", we will not pay for promotions:

(a) Provided to any of your "executives" or "employees"; or

(b) Costing more than \$25 per "affected individual".

2. Insuring Agreement B - Defense and Liability

a. Coverage under Insuring Agreement B - Defense and Liability applies only if all of the following conditions are met:

(1) During the "coverage term" or any applicable Extended Reporting Period, you first receive notice of a "claim" or "regulatory proceeding" which arises from a "personal data compromise" that:

(a) Took place on or after the Retroactive Date shown in the Declarations and before the end of the "policy period"; and

(b) Took place in the "coverage territory"; and

(2) Such "claim" or "regulatory proceeding" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

b. If the conditions listed in a. above have been met, then we will pay on behalf of the "insured" "defense costs" and "data compromise liability" directly arising from the "claim" or "regulatory proceeding".

c. All "claims" or "regulatory proceedings" caused by a single "personal data compromise" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

3. Insuring Agreement C - Identity Recovery

a. Coverage under Insuring Agreement C - Identity Recovery applies only if all of the following conditions are met:

(1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Coverage Part; and

(2) Such "identity theft" is first discovered by the "identity recovery

insured" during the "coverage term"; and

(3) Such "identity theft" took place in the "coverage territory"; and

(4) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".

b. If the conditions listed in a. above have been met, then we will provide the following to the "identity recovery insured":

(1) Services of an "identity recovery case manager" as needed to respond to the "identity theft"; and

(2) Reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

B. Exclusions

1. Applicable to Insuring Agreements A and B only:

This insurance does not apply to "loss" or "claims" based upon, attributable to or arising out of:

a. Contractual Liability

An "insured's" assumption of liability by contract or agreement, whether oral or written. However, this exclusion shall not apply to:

(1) Any liability that an "insured" would have incurred in the absence of such contract or agreement; or

(2) Any PCI fines or penalties explicitly covered under Insuring Agreement B – Defense and Liability.

b. Criminal Investigations or Proceedings

Any criminal investigations or proceedings.

c. Deficiency Correction

Costs to research or correct any deficiency. This includes, but is not limited to, any deficiency in your systems, procedures or physical security that may have contributed to a "personal data compromise".

d. Extortion

Any extortion or blackmail. This includes, but is not limited to, ransom

payments and private security assistance.

e. Fraudulent, Dishonest or Criminal Acts

Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by the "insured".

f. Non-monetary Relief

That part of any "claim" seeking any non-monetary relief.

g. Previously Reported Data Compromises

The same facts alleged or contained in any "claim" which has been reported, or in any circumstances of which notice has been given, under any insurance policy of which this Coverage Part is a renewal or replacement.

h. Prior Data Compromises

Any "personal data compromise" first occurring before the Retroactive Date shown in the Declarations, or any "claim" arising from a "personal data compromise" that first occurred prior to the Retroactive Date shown in the Declarations.

i. Prior or Pending Litigation

Any "claim" or other proceeding against an "insured" which was pending or existed prior to the "coverage term", or arising out of the same or substantially the same facts, circumstances or allegations which are the subject of, or the basis for, such "claim" or other proceeding.

j. Uninsurable

Any amount not insurable under applicable law.

k. Willful Complicity

The "insured's" intentional or willful complicity in a "personal data compromise".

2. Applicable to Insuring Agreement C only:

This insurance does not apply to:

a. Fraudulent, Dishonest or Criminal Acts

Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an

"identity recovery insured", whether acting alone or in collusion with others. However, this exclusion shall not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.

b. Professional or Business Identity

The theft of a professional or business identity.

c. Unreported Identity Theft

An "identity theft" that is not reported in writing to the police.

3. Applicable to Insuring Agreements A, B and C:

This insurance does not apply to "loss" or "claims" based upon, attributable to or arising out of:

a. Nuclear

Nuclear reaction or radiation or radioactive contamination, however caused.

b. War

(1) War, including undecared or civil war or civil unrest;

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

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

Provided, that this exclusion will not apply to "cyber terrorism".

SECTION II - LIMITS OF INSURANCE AND DEDUCTIBLE

A. Insuring Agreement A - Response Expenses:

1. The most we will pay under Insuring Agreement A - Response Expenses is the Response Expenses Limit of Insurance stated in the Declarations.

2. The Response Expenses Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for the total of all "loss" covered under Insuring Agreement A - Response Expenses arising out of all "personal data compromise" events which are first discovered by you

during the "coverage term". This limit applies regardless of the number of "personal data compromise" events discovered by you during that period.

3. A "personal data compromise" may be first discovered by you in one "coverage term" but cause covered "loss" in one or more subsequent "coverage terms". If so, all covered "loss" arising from such "personal data compromise" will be subject to the Response Expenses Limit of Insurance applicable to the "coverage term" when the "personal data compromise" was first discovered by you.
4. The most we will pay under Insuring Agreement **A** - Response Expenses for Forensic IT Review, Legal Review and PR Services coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages stated in the Declarations. These sublimits are part of, and not in addition to, the Aggregate Limit of Insurance referenced in Paragraph **2**. PR Services coverage is also subject to a limit per "affected individual" as described in Section **I., A.1.b.(5)** PR Services.
5. Coverage for Services to "affected individuals" is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals" or the period required by law, whichever is longer. Notwithstanding the foregoing, coverage for Identity Restoration Case Management services initiated within such period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.
6. The Response Expenses Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Response Expenses Limit for the immediately preceding "coverage term".
7. Response Expenses coverage is subject to the Response Expenses Deductible stated in the Declarations. You shall be responsible for such deductible amount as respects each "personal data compromise" covered under this Coverage Part. We may, at our option, pay any part or all of the deductible amount in order to respond effectively to a "personal data compromise" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

B. Insuring Agreement B - Defense and Liability:

1. The most we will pay under Insuring Agreement **B** - Defense and Liability (other than post-judgment interest) is the Limit of Insurance stated in the Declarations.
2. The Insuring Agreement **B** - Defense and Liability Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for all "loss" covered under Insuring Agreement **B** - Defense and Liability (other than post-judgment interest) arising out of all "claims".
3. The most we will pay under Insuring Agreement **B** - Defense and Liability for "data compromise liability" and "defense costs" related to Regulatory Fines and Penalties and PCI Fines and Penalties coverages arising from any one "claim" or "regulatory proceeding" is the applicable sublimit for each of those coverages stated in the Declarations. These sublimits are part of, and not in addition to, the Aggregate Limit of Insurance referenced in Paragraph **2**.
4. The Defense and Liability Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Defense and Liability Limit for the immediately preceding "coverage term".
5. The Insuring Agreement **B** - Defense and Liability coverage is subject to the Deductible stated in the Declarations. You shall be responsible for such deductible amount as respects each "claim" or "regulatory proceeding" covered under this Coverage Part. We may, at our option, pay any part or all of the deductible amount to defend or effect settlement of any "claim", "loss" or "regulatory proceeding" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

C. Insuring Agreement C - Identity Recovery:

1. Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Service do not reduce the Limit of Insurance available for "identity recovery expenses".
2. Coverage under Insuring Agreement **C** - Identity Recovery is subject to the Annual Aggregate Limit of Insurance stated in the Declarations per "identity recovery insured". Regardless of the number of "identity theft" incidents, this limit is the most we will pay for the total of all "loss" arising out of all "identity thefts" suffered

by one "identity recovery insured" which are first discovered by the "identity recovery insured" during the "coverage term". If an "identity theft" is first discovered in one "coverage term" and continues into other "coverage terms", all "loss" arising from such "identity theft" will be subject to the aggregate Limit of Insurance applicable to the "coverage term" when the "identity theft" was first discovered.

3. Legal costs as provided under Item **d.** of the definition of "identity recovery expenses" are part of, and not in addition to, the aggregate limit described in Paragraph **2**.
4. Item **e.** (Lost Wages) and Item **f.** (Child and Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to the sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the aggregate Limit of Insurance described in Paragraph **2**. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
5. Item **g.** (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to the sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the aggregate limit described in Paragraph **2**. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
6. Item **h.** (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to the sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the aggregate Limit of Insurance described in Paragraph **2**. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
7. Coverage under Insuring Agreement **C** - Identity Recovery is subject to the Identity Recovery Deductible stated in the Declarations. Each "identity recovery insured" shall be responsible for such deductible amount only once during each "coverage term". This deductible applies only to "identity recovery expenses".

The Limits of Insurance apply separately to each "coverage term".

SECTION III - DEFENSE AND SETTLEMENT

The provisions contained within this Section apply only to Insuring Agreement **B** - Defense and Liability.

1. We will have the right and duty to select counsel and defend the "insured" against any "claim" or "regulatory proceeding" covered by Insuring Agreement **B** - Defense and Liability, regardless of whether the allegations of such "claim" or "regulatory proceeding" are groundless, false or fraudulent. However, we shall have no duty to defend the "insured" against any "claim" or "regulatory proceeding" seeking damages or other relief not insured by Insuring Agreement **B** - Defense and Liability.
2. We may, with your written consent, make any settlement of a "claim" or "regulatory proceeding" which we deem reasonable. If you withhold consent to such settlement, our liability for all "loss" resulting from such "claim" will not exceed the amount for which we could have settled such "claim" or "regulatory proceeding" plus "defense costs" incurred as of the date we proposed such settlement in writing to you.
3. We shall not be obligated to pay any "loss", or to defend or continue to defend any "claim" or "regulatory proceeding", after the Insuring Agreement **B** - Defense and Liability Limit of Insurance has been exhausted.
4. We shall pay all interest on that amount of any judgment within the Insuring Agreement **B** - Defense and Liability Limit of Insurance which accrues:
 - a. After entry of judgment; and
 - b. Before we pay, offer to pay or deposit in court that part of the judgment within the Insuring Agreement **B** - Defense and Liability Limit of Insurance or, in any case, before we pay or offer to pay the entire Insuring Agreement **B** - Defense and Liability Limit of Insurance.

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

SECTION IV – CONDITIONS

1. Bankruptcy

Your bankruptcy, or the bankruptcy of your estate if you are a sole proprietor, will not relieve us of our obligations under this Coverage Part.

2. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" covered under this Coverage Part. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, computer systems and hard copy files;

- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information" or "personally sensitive information", including shredding hard copy files and destroying physical media used to store electronic data.

3. Duties in the Event of a Claim, Regulatory Proceeding or Loss

- a. If, during the "coverage term", the "insured" first becomes aware of any circumstance that could reasonably be expected to give rise to a "claim" or "regulatory proceeding", the "insured" may give written notice to us. The notice must be made as soon as practicable, but in no event more than 60 days after the date the circumstance is first discovered by the "insured", must be made during the "coverage term" and must include:

- (1) The specific details, including the date, of the circumstance;
- (2) The alleged injuries or damage sustained or which may be sustained;
- (3) The names of potential claimants; and
- (4) The manner in which the "insured" first became aware of the circumstance.

Any subsequent "claim" or "regulatory proceeding" arising out of any circumstance which is the subject of such a written notice will be deemed to have been made at the time written notice in compliance with these requirements was first received by us.

- b. If a "claim" or "regulatory proceeding" is brought against any "insured", you must:
 - (1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received; and
 - (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you.
 - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection

with the "claim" or "regulatory proceeding";

- (4) Authorize us to obtain records and other information;
- (5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";
- (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this insurance may also apply; and
- (7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".

- c. In the event of a "personal data compromise" covered under Insuring Agreement A - Response Expenses, you must see that the following are done:

- (1) Notify the police if a law may have been broken.
- (2) Notify us as soon as practicable, but in no event more than 60 days after the "personal data compromise". Include a description of any property involved.
- (3) As soon as possible, give us a description of how, when and where the "personal data compromise" occurred.
- (4) As often as may be reasonably required, permit us to:
 - (a) Inspect the property proving the "personal data compromise";
 - (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
- (5) Send us signed, sworn proof of loss containing the information we request to investigate the "personal data compromise". You must do this within 60 days after our request. We will supply you with the necessary forms.

- (6) Cooperate with us in the investigation of the "personal data compromise" or settlement of the "loss".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "personal data compromise" or "loss".

- d. 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" or "loss", including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.
- e. No "insured" may, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

4. Help Line

For assistance, the "identity recovery insured" should call the **Identity Recovery Help Line** at **1-866-219-9831**. The **Identity Recovery Help Line** can provide the "identity recovery insured" with:

- a. Information and advice for how to respond to a possible "identity theft"; and
- b. Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under the policy. We reserve the right to deny further coverage or service if, after investigation, we determine that a covered "identity theft" has not occurred.

As respects Expense Reimbursement Coverage, the "identity recovery insured" must send to us, within 60 days after our request, receipts, bills or other records that support his or her claim for "identity recovery expenses".

5. Legal Action Against Us

- a. No person or organization has a right:
 - (1) To join us as a party or otherwise bring us into a suit asking for damages from an "insured"; or
 - (2) To sue us under this Coverage Part unless all of its terms have been fully complied with.

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

- b. You may not bring any legal action against us involving "loss":
 - (1) Unless you have complied with all the terms of this insurance;
 - (2) Until 90 days after you have filed proof of "loss" with us; and
 - (3) Unless brought within 2 years from the date you reported the "claim" or "loss" to us.

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

6. Legal Advice

We are not your legal advisor. Our determination of what is or is not covered under this Coverage Part does not represent advice or counsel from us about what you should or should not do.

7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the "policy period", we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

will be considered as included until the end of the current "policy period". We will make no

additional premium charge for this additional coverage during the interim.

8. Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

9. Other Insurance

- a. If any covered "loss" is covered by any other valid policy, then this Coverage Part shall apply only in excess of the amount of any deductible, retention and limit of insurance under such other policy whether such other policy is stated to be primary, contributory, excess, contingent or otherwise, unless such other policy is written specifically excess of this Coverage Part by reference in such other policy to this policy's policy number.
- b. When this insurance is excess, we will have no duty to defend the "insured" against any "claim" if any other insurer has a duty to defend the "insured" against that "claim". But we will have the right to associate in the defense and control of any "claim" that we reasonably believe is likely to involve the insurance provided under this Coverage Part. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

10. Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under this Coverage Part for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under Condition 12. Service Providers. You must provide the following at our pre-notification consultation with you:

- a. The exact list of "affected individuals" to be notified, including contact information.
- b. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals".
- c. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Response Expenses Limit.

11. Representations

You represent that all information and statements contained in any application or questionnaire submitted in connection with this Coverage Part are true, accurate and complete. All such information and statements are the basis for our issuing this Coverage Part and shall be considered as incorporated into and shall constitute a part of this Coverage Part. Misrepresentation or omission of any material fact may be grounds for the rescission of this Coverage Part.

12. Separation of Insureds

Except with respect to the applicable Limit of Insurance, and any rights or duties specifically assigned in this Coverage Part or the policy to which it is attached, to the first "named insured", this insurance applies separately to each "insured" against whom a "claim" is made.

13. Service Providers

- a. We will only pay under this Coverage Part for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Coverage Part. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in the Pre-Notification Consultation Condition above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:

- (1) Such alternate service provider must be approved by us;
- (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
- (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

14. Services

The following conditions apply as respects any services provided to you or any "affected individual" or "identity recovery insured" by us, our designees or any service firm paid for in whole or in part under this Coverage Part:

- a. The effectiveness of such services depends on the cooperation and assistance of you, "affected individuals" and "identity recovery insureds".
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" and "identity recovery insureds" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.
- d. Except for the services of an "identity recovery case manager" under Insuring Agreement **C** - Identity Recovery, which we will provide directly, you will have a direct relationship with the professional service firms paid for in whole or in part under this Coverage Part. Those firms work for you.

15. Subrogation

With respect to any payment under this Coverage Part on behalf of any "insured", we shall be subrogated to the "insured's" rights of recovery to the extent of such payment. The "insured" shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us to bring suit in the "insured's" name. Any recoveries, less the cost of obtaining them, will be distributed as follows:

- a. To you, until you are reimbursed for any "loss" you sustain that exceeds the sum of the applicable Aggregate Limit of Insurance and the Deductible Amount, if any;
- b. Then to us, until we are reimbursed for the payment under this Coverage Part;
- c. Then to you, until you are reimbursed for that part of the payment equal to the Deductible Amount, if any.

16. Valuation - Settlement

All premiums, Limits of Insurance, Deductible Amounts, "loss" and any other monetary amounts under this Coverage Part are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is agreed to or another component of "loss" under this Coverage Part is expressed in any currency other than United States of America dollars, payment under this Coverage Part shall be made in United States dollars at the rate of exchange published in

The Wall Street Journal on the date the final judgment is entered, settlement amount is agreed upon, or the other component of "loss" is due, respectively.

17. When We Do Not Renew

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

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

SECTION V - EXTENDED REPORTING PERIODS

1. You shall have the right to the Extended Reporting Periods described in this section, in the event that:
 - a. You or we cancel this Coverage Part;
 - b. You or we refuse to renew this Coverage Part; or
 - c. We renew this Coverage Part on other than a claims-made basis or with a retroactive date later than the Retroactive Date shown in the Declarations.
2. If an event as specified in Paragraph 1. has occurred, you shall have the right to the following:
 - a. An Automatic Extended Reporting Period of 90 days after the effective date of cancellation or nonrenewal at no additional premium in which to give to us written notice of a:
 - (1) "Claim" or "regulatory proceeding" of which you first receive notice during said Automatic Extended Reporting Period for any "personal data compromise" occurring on or after the Retroactive Date shown on the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
 - (2) "Personal data compromise" you first discover during said Automatic Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; and
 - b. Upon payment of the additional premium stated in the Declarations, a Supplemental Extended Reporting Period for the term stated in the Supplemental Extended Reporting Period Endorsement will be provided immediately following the effec-

tive date of cancellation or nonrenewal in which to give to us written notice of a:

- (1) "Claim" or "regulatory proceeding" of which you first receive notice during said Supplemental Extended Reporting Period for any "personal data compromise" occurring on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
- (2) "Personal data compromise" you first discover during said Supplemental Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 60 days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

- c. The Limits of Insurance for the Extended Reporting Periods shall be part of, and not in addition to, the Limits of Insurance for the immediately preceding "coverage term".

SECTION VI - DEFINITIONS

- 1. "Affected individual" means any person whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this Coverage Part. This definition is subject to the following provisions:
 - a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".
 - b. An "affected individual" may reside anywhere in the world.
- 2. "Authorized representative" means a person or entity authorized by law or contract to act on behalf of an "identity recovery insured".
- 3. "Claim":
 - a. Means:

- (1) A civil proceeding in which it is alleged that the claimant suffered damages arising from:

- (a) A "personal data compromise"; or
- (b) The violation of a governmental statute or regulation arising from a "personal data compromise".

- (2) "Claim" includes:

- (a) An arbitration proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent;
- (b) Any other alternative dispute resolution proceeding in which such damages are claimed and to which the "insured" must submit or does submit with our consent; or
- (c) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.

- b. Does not include any demand or action brought by or on behalf of someone who is:

- (1) Your "executive";
- (2) Your owner or part-owner; or
- (3) A holder of your securities;

in their capacity as such, whether directly, derivatively, or by class action. "Claim" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual".

- 4. "Coverage term" means the following individual increment, or if a multi-year "policy period", increments, of time, which comprise the "policy period" of this Coverage Part:

- a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year "policy period", each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:

- (1) The day the "policy period" shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
- b.** However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
5. "Coverage territory" means anywhere in the world.
 6. "Cyber terrorism" means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives. Provided, however, that such activities shall not be considered "cyber terrorism" when they are committed by or at the express direction of a government simultaneously engaged in an active conflict involving physical combat by one or more military forces of, or operating at the direction of, nation states or factions in the case of a civil war.
 7. "Data compromise liability":
 - a.** Means the following, when they arise from a "claim" or "regulatory proceeding":
 - (1) Damages (including punitive and exemplary damages and the multiple portion of any multiplied damage award), judgments or settlements;
 - (2) Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
 - (3) Pre-judgment interest on that part of any judgment paid by us.
 - b.** Also includes any Payment Card Industry (PCI) fine or penalty imposed under a contract to which you are a party when such fine or penalty arises from a "claim". PCI Fines and Penalties do not include any increased transaction costs.
 - c.** Also includes any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction when such fine or penalty arises from a "regulatory proceeding".
 - d.** Does not include:
- (1) Civil or criminal fines or penalties imposed by law, except for civil fines and penalties expressly covered under paragraphs **b.** and **c.** above;
 - (2) Taxes; or
 - (3) Matters which may be deemed uninsurable under the applicable law.
- e.** With respect to fines and penalties and punitive, exemplary and multiplied damages, the law of the jurisdiction most favorable to the insurability of those fines, penalties or damages shall control for the purpose of resolving any dispute between us and any "insured" regarding whether the fines, penalties or damages specified in this definition above are insurable under this Coverage Part, provided that such jurisdiction:
- (1) Is where those fines, penalties or damages were awarded or imposed;
 - (2) Is where any "personal data compromise" took place for which such fines, penalties or damages were awarded or imposed;
 - (3) Is where you are incorporated or you have your principal place of business; or
 - (4) Is where we are incorporated or have our principal place of business.
8. "Defense costs":
 - a.** Means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "claim" or "regulatory proceeding" against an "insured". Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
 - b.** Does not include the salaries or wages of your "employees", "executives" or "independent contractors", or your loss of earnings.
 9. "Employee" means any natural person, other than an "executive" or "independent contractor", who was, now is or will be:
 - a.** Employed on a full- or part-time basis by you;
 - b.** Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;
 - c.** Leased to you by a labor leasing firm under an agreement between you and the

- labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **9.b.**; or
- d.** Your volunteer worker, which includes unpaid interns.
- 10.** "Executive" means any natural person who was, now is or will be:
- a.** The owner of a sole proprietorship that is a "named insured"; or
 - b.** A duly elected or appointed:
 - (1)** Director;
 - (2)** Officer;
 - (3)** Managing Partner;
 - (4)** General Partner;
 - (5)** Member (if a limited liability company);
 - (6)** Manager (if a limited liability company); or
 - (7)** Trustee,
 of a "named insured".
- 11.** "Identity recovery case manager" means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured". This includes, with the permission and cooperation of the "identity recovery insured", written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.
- 12.** "Identity recovery expenses" means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft" suffered by an "identity recovery insured":
- a.** Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft".
 - b.** Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of your efforts to report an "identity theft" or amend or rectify records as to your true name or identity as a result of an "identity theft".
 - c.** Costs for credit reports from established credit bureaus.
 - d.** Fees and expenses for an attorney approved by us for the following:
 - (1)** The defense of any civil suit brought against an "identity recovery insured".
 - (2)** The removal of any civil judgment wrongfully entered against an "identity recovery insured".
 - (3)** Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency.
 - (4)** Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report.
 - (5)** The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured".
 - e.** Actual lost wages of the "identity recovery insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.
 - f.** Actual costs for supervision of children or elderly or infirm relatives or dependents of the "identity recovery insured" during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured".
 - g.** Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured".
 - h.** Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".
 - (1)** Such costs include:
 - (a)** Costs by the "identity recovery insured" to recover control over his or her personal identity.
 - (b)** Deductibles or service fees from financial institutions.
 - (2)** Such costs do not include:
 - (a)** Costs to avoid, prevent or detect "identity theft" or other loss.

(b) Money lost or stolen.

(c) Costs that are restricted or excluded elsewhere in this Coverage Part or policy.

13. "Identity recovery insured" means the following:

- a. When the entity insured under this Coverage Part is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the "named insured".
- b. When the "named insured" under this Coverage Part is a partnership, the "identity recovery insureds" are the current partners.
- c. When the "named insured" under this Coverage Part is a corporation or other form of organization, other than those described in **a.** or **b.** above, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured entity. However, if and only if there is no one who has such an ownership position, then the "identity recovery insured" shall be:
 - (1) The chief executive of the insured entity; or
 - (2) As respects a religious institution, the senior ministerial employee.
- d. The legally recognized spouse of any individual described in **a.**, **b.** or **c.** above.

An "identity recovery insured" must always be an individual person. The "named insured" under this Coverage Part is not an "identity recovery insured".

14. "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.

"Identity theft" does not include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

15. "Independent contractor" means any natural person who performs labor or service for you under a written contract or agreement with you. The status of an individual as an "independent contractor" will be determined as of the date of an alleged act, error or omission by such "independent contractor".

16. "Insured" means:

- a. With respect to Insuring Agreement **A** - Response Expenses any "named insured".

b. With respect to Insuring Agreement **B** - Defense and Liability:

- (1) Any "named insured"; and
- (2) Any "employee" or "executive" of a "named insured", but:

(a) Only for the conduct of the "named insured's" business within the scope of his or her employment or duties as an "executive"; and

(b) Such "employee" or "executive" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.

- (3) At your option, any "independent contractor", but:

(a) Only for conduct related to the "named insured's" business and within the scope of his or her duties as an "independent contractor"; and

(b) Such "independent contractor" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.

c. With respect to Insuring Agreement **C** - Identity Recovery any "named insured".

17. "Loss" means:

a. With respect to Insuring Agreement **A** - Response Expenses:

Those expenses enumerated in Section **I**, **A.**, Paragraph **1.b.**

b. With respect to Insuring Agreement **B** - Defense and Liability:

(1) "Defense costs"; and

(2) "Data compromise liability".

c. With respect to Insuring Agreement **C** - Identity Recovery, "identity recovery expenses".

18. "Named insured" means the entity or entities shown in the Declarations as a Named Insured and their "subsidiaries".

19. "Personal data compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss,

theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

- a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:
 - (1) You; or
 - (2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.
- b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, subject to the following provisions:
 - (1) The failure to use appropriate safeguards must be accidental and not reckless or deliberate; and
 - (2) Such disposal or abandonment must take place during the time period for which this Coverage Part is effective.
- c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.
- d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be

considered one "personal data compromise".

20. "Personally identifying information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual" or "identity recovery insured". This includes, but is not limited to, Social Security numbers or account numbers.

"Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.

21. "Personally sensitive information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

"Personally sensitive information" does not mean or include "personally identifying information".

22. "Policy period" means the cumulative total of each individual "coverage term" comprising the period of time from the inception date of this Coverage Part shown in the Declarations to the expiration date shown in the Declarations, or its earlier cancellation or termination date.

23. "Regulatory proceeding" means an investigation, demand or proceeding alleging a violation of law or regulation brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.

24. "Subsidiary" means any organization in which more than fifty (50) percent (%) of the outstanding securities or voting rights representing the present right to vote for the election of directors, trustees, managers (if a limited liability company) or persons serving in a similar capacity is owned, in any combination, by one or more "named insured(s)".

THE CINCINNATI INSURANCE COMPANY

A Stock Insurance Company

**CINCINNATI NETWORK DEFENDER™ COVERAGE PART
DECLARATIONS**

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

Attached to and forming part of POLICY NUMBER: **ETD 053 03 98** Effective Date **07-01-2022**

Named Insured is the same as it appears in the Common Policy Declarations unless another entry is made here.

Retroactive Date: 07-01-2019

Limits of Insurance and Deductible

Insuring Agreement	Annual Aggregate	Sublimit	Deductible
A Computer Attack	\$100,000		\$1,000 ¹
		Cyber Extortion	\$10,000
		Loss of Business	\$50,000
		Public Relations	\$50,000
B Network Security and Electronic Media Liability	\$100,000		\$1,000 ²

TOTAL ANNUAL PREMIUM**\$242**

Optional Supplemental Extended Reporting Period - Term:	Optional Supplemental Extended Reporting Period - Premium:
1 YEAR	182
2 YEAR	363
3 YEAR	484
4 YEAR	605
5 YEAR	666
6 YEAR	726

FORMS AND/OR ENDORSEMENTS APPLICABLE TO THIS COVERAGE PART:

HC103 01/20 CINCINNATI NETWORK DEFENDER™ COVERAGE FORM

¹ Computer Attack Deductible other than Cyber Extortion

² Cyber Extortion Deductible

CINCINNATI NETWORK DEFENDER™ COVERAGE FORM**TABLE OF CONTENTS**

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CINCINNATI NETWORK DEFENDER™ COVERAGE FORM

THIS COVERAGE PART PROVIDES CLAIMS-MADE COVERAGE, WHICH APPLIES ONLY TO "CLAIMS" FIRST MADE DURING THE "POLICY PERIOD" OR ANY APPLICABLE EXTENDED REPORTING PERIOD. THE LIMIT OF INSURANCE TO PAY DAMAGES OR SETTLEMENTS WILL BE REDUCED AND MAY BE EXHAUSTED BY "DEFENSE COSTS", AND "DEFENSE COSTS" WILL BE APPLIED AGAINST THE DEDUCTIBLE. IN NO EVENT WILL WE BE LIABLE FOR "DEFENSE COSTS" OR THE AMOUNT OF ANY JUDGMENT OR SETTLEMENT IN EXCESS OF THE LIMIT OF INSURANCE. READ THE ENTIRE POLICY CAREFULLY.

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

Throughout this Coverage Part the words "you" and "your" refer to the "named insured" shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

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

SECTION I - COVERAGES

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which an Aggregate Limit of Insurance is shown in the Declarations:

1. Insuring Agreement A - Computer Attack

a. Coverage under Insuring Agreement A - Computer Attack applies only if all of the following conditions are met:

- (1) There has been a "computer attack"; and
- (2) Such "computer attack" is first discovered by you during the "policy period"; and
- (3) Such "computer attack" occurred in the "coverage territory"; and
- (4) Such "computer attack" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If all of the conditions in a. above have been met, then we will provide you the following coverages for "loss" directly arising from such "computer attack".

(1) Cyber Extortion

We will pay your necessary and reasonable "cyber extortion expenses".

(2) Data Restoration

We will pay your necessary and reasonable "data restoration costs".

(3) Data Re-creation

We will pay your necessary and reasonable "data re-creation costs".

(4) System Restoration

We will pay your necessary and reasonable "system restoration costs".

(5) Loss of Business

We will pay your actual "business income loss" and your necessary and reasonable "extra expenses".

(6) Public Relations

If you suffer covered "business income loss", we will pay the necessary and reasonable fees and expenses you incur, with our prior written consent, for a professional public relations firm review of and response to the potential impact of the "computer attack" on your business relationships. We will only pay for such fees and expenses when such a public relations firm review and response is reasonably necessary to avert or mitigate material damage to your business relationships from the "computer attack".

2. Insuring Agreement B - Network Security and Electronic Media Liability

a. Coverage under Insuring Agreement B - Network Security and Electronic Media Liability applies only if all of the following conditions are met:

- (1) During the "coverage term" or any applicable Extended Reporting Period, you first receive no-

tice of a "claim" which arises from a "wrongful act" that:

- (a) Took place on or after the Retroactive Date shown in the Declarations and before the end of the "policy period"; and
 - (b) Took place in the "coverage territory"; and
- (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on behalf of the "insured" the "insured's" necessary and reasonable "defense costs" and "settlement costs" directly arising from the "claim".
 - c. All "claims" caused by a single "wrongful act" or series of "interrelated" "wrongful acts" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

B. Exclusions

This insurance does not apply to "loss" or "claims" based upon, attributable to or arising out of:

1. Contractual Liability

An "insured's" assumption of liability by contract or agreement, whether oral or written. However, this exclusion shall not apply to any liability that an "insured" would have incurred in the absence of such contract or agreement.

2. Criminal Investigations or Proceedings

Any criminal investigations or proceedings.

3. Deficiency Correction

Costs to research or correct any deficiency.

4. Extortion

Any threat, extortion or blackmail. This includes, but is not limited to, ransom payments and private security assistance.

This exclusion does not apply to the extent that insurance coverage is provided under **SECTION I - COVERAGES**, Paragraph **A.1.b.(1) Cyber Extortion**.

5. Fines or Penalties

Any fines or penalties.

6. Fraudulent, Dishonest or Criminal Acts

Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by the "insured".

7. Information Technology Products

The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.

8. Infrastructure Failure

Failure or interruption of or damage to any electrical power supply network or telecommunication network not owned and operated by the "insured" including, but not limited to, the internet, internet service providers, DNS service providers, cable and wireless providers, internet exchange providers, search engine providers, tier 1 internet protocol networks and other providers of telecommunications or internet infrastructure.

9. Knowledge of Falsity

Any oral or written publication of material, if done by the "insured" or at the "insured's" direction with knowledge of its falsity.

10. Non-monetary Relief

That part of any "claim" seeking any non-monetary relief.

11. Nuclear

Nuclear reaction or radiation or radioactive contamination, however caused.

12. Patent or Trade Secret Infringement

Any actual or alleged patent or trade secret violation including any actual or alleged violation of the Patent Act, the Economic Espionage Act of 1996, or the Uniform Trade Secrets Act and their amendments.

13. Previously Reported Claims

The same facts alleged or contained in any "claim" which has been reported, or in any circumstances of which notice has been given, under any insurance policy of which this Coverage Part is a renewal or replacement.

14. Prior Wrongful Acts

Any "wrongful act" first occurring before the Retroactive Date shown in the Declarations or any "claim" arising from a "wrongful act" that first occurred prior to the Retroactive Date shown in the Declarations.

15. Prior or Pending Litigation

Any "claim" or other proceeding against an "insured" which was pending or existed prior to the "coverage term", or arising out of the same or substantially the same facts, circumstances or allegations which are the subject of, or the basis for, such "claim" or other proceeding.

16. Property Damage or Bodily Injury

"Property damage" or "bodily injury" other than "bodily injury" arising from an "electronic media incident".

17. War

- a. War, including undeclared or civil war or civil unrest;
- b. Warlike action by military force, including action hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by government authority in hindering or defending against any of these.

Provided, that this exclusion will not apply to "cyber terrorism".

18. Willful Complicity

The "insured's" intentional or willful complicity in a covered "loss" event or your reckless disregard for the security of your "computer system" or data.

SECTION II - LIMITS OF INSURANCE AND DEDUCTIBLE**A. Insuring Agreement A - Computer Attack**

1. The most we will pay under Insuring Agreement **A** - Computer Attack for Cyber Extortion coverage for "loss" arising from any one "computer attack" is the Cyber Extortion Sublimit stated in the Declarations. This Limit of Insurance is part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance stated in Paragraph 4. below.
2. The most we will pay under Insuring Agreement **A** - Computer Attack for Loss

of Business coverage for "loss" arising from any one "computer attack" is the Loss of Business Sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance stated in Paragraph 4. below.

3. The most we will pay under Insuring Agreement **A** - Computer Attack for Public Relations coverage for "loss" arising from any one "computer attack" is the Public Relations Sublimit stated in the Declarations. This sublimit is part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance stated in Paragraph 4. below.
4. The Computer Attack Aggregate Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for the total of all "loss" covered under Insuring Agreement **A** - Computer Attack arising out of all "computer attack" events which are first discovered by you during the "coverage term". This limit applies regardless of the number of "computer attack" events first discovered during the "coverage term".
5. A "computer attack" may be first discovered by you in one "coverage term" but it may cause covered "loss" in one or more subsequent "coverage terms". If so, all covered "loss" arising from such "computer attack" will be subject to the Computer Attack Aggregate Limit of Insurance applicable to the "coverage term" when the "computer attack" was first discovered by you.
6. The Computer Attack Aggregate Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Computer Attack Aggregate Limit of Insurance for the immediately preceding "coverage term".
7. The Computer Attack coverage is subject to the:
 - a. Computer Attack other than Cyber Extortion; and
 - b. Cyber Extortion;

deductibles stated in the Declarations. In the event that elements of "loss" from the same "computer attack" include "cyber extortion expenses" as well as other insured expenses or costs, then only the single highest deductible will apply. You shall be responsible for the applicable deductible amount as respects "loss" arising from each "computer attack" covered under this Coverage Part.

B. Insuring Agreement B - Network Security and Electronic Media Liability

1. Except for post-judgment interest, the most we will pay under Insuring Agreement **B** - Network Security and Electronic Media Liability is the Network Security and Electronic Media Liability Aggregate Limit of Insurance stated in the Declarations.
2. The Network Security and Electronic Media Liability Aggregate Limit of Insurance is an annual aggregate limit. This amount is the most we will pay for the total of all "loss" covered under Insuring Agreement **B** - Network Security and Electronic Media Liability (other than post-judgment interest) arising out of all "claims".
3. The Network Security and Electronic Media Liability Aggregate Limit of Insurance for the Extended Reporting Periods (if applicable) shall be part of, and not in addition to, the Network Security and Electronic Media Liability Aggregate Limit of Insurance for the immediately preceding "coverage term".
4. The Insuring Agreement **B** - Network Security and Electronic Media Liability coverage is subject to the Network Security and Electronic Media Liability Deductible stated in the Declarations. You shall be responsible for the applicable deductible amount as respects "loss" arising from each "claim" covered under this Coverage Part. We may, at our option, pay any part or all of the deductible amount to defend or effect settlement of any "claim" or "loss" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

The Limits of Insurance apply separately to each "coverage term".

SECTION III - DEFENSE AND SETTLEMENT

The provisions contained within this Section apply only to Insuring Agreement **B** - Network Security and Electronic Media Liability.

1. We will have the right and duty to select counsel and defend the "insured" against any "claim" covered by Insuring Agreement **B** - Network Security and Electronic Media Liability, regardless of whether the allegations of such "claim" are groundless, false or fraudulent. However, we shall have no duty to defend the "insured" against any "claim" seeking damages or other relief not insured by Insuring Agreement **B** - Network Security and Electronic Media Liability.
2. We may, with your written consent, make any settlement of a "claim" which we deem rea-

sonable. If you withhold consent to such settlement, our liability for all "loss" resulting from such "claim" will not exceed the amount for which we could have settled such "claim" plus "defense costs" incurred as of the date we proposed such settlement in writing to you.

3. We shall not be obligated to pay any "loss", or to defend or continue to defend any "claim", after the Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance has been exhausted.
4. We shall pay all interest on that amount of any judgment within the Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance which accrues:
 - a. After entry of judgment; and
 - b. Before we pay, offer to pay or deposit in court that part of the judgment within the Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance or, in any case, before we pay or offer to pay the entire Insuring Agreement **B** - Network Security and Electronic Media Liability Limit of Insurance.

These interest payments shall be in addition to and not part of the Network Security and Electronic Media Liability Limit of Insurance.

SECTION IV - CONDITIONS

1. Bankruptcy

Your bankruptcy, or the bankruptcy of your estate if you are a sole proprietor, will not relieve us of our obligations under this Coverage Part.

2. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" covered under this Coverage Part. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security; and
- c. Maintaining and updating at appropriate intervals backups of computer data.

3. Duties in the Event of a Claim or Loss

- a. If, during the "coverage term", the "insured" first becomes aware of any circumstance that could reasonably be expected to give rise to a "claim", the "insured" may give written notice to us. The notice must be made as soon as practicable, but in no event more than 60 days

after the date the circumstance is first discovered by the "insured", must be made during the "coverage term" and must include:

- (1) The specific details, including the date, of the circumstance;
- (2) The alleged injuries or damage sustained or which may be sustained;
- (3) The names of potential claimants; and
- (4) The manner in which the "insured" first became aware of the circumstance.

Any subsequent "claim" arising out of any circumstance which is the subject of such a written notice will be deemed to have been made at the time written notice in compliance with these requirements was first received by us.

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

- (1) Immediately record the specifics of the "claim" and the date received; and
- (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" is first received by you.
- (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
- (4) Authorize us to obtain records and other information;
- (5) Cooperate with us in the investigation, settlement or defense of the "claim";
- (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" to which this insurance may also apply; and
- (7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim".

c. In the event of a "computer attack" covered under Insuring Agreement **A** - Computer Attack, you must see that the following are done:

- (1) Notify the police if a law may have been broken.

- (2) Notify us as soon as practicable, but in no event more than 60 days after the "computer attack". Include a description of any property involved.
- (3) As soon as possible, give us a description of how, when and where the "computer attack" occurred.
- (4) As often as may be reasonably required, permit us to:
 - (a) Inspect the property proving the "computer attack";
 - (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
- (5) Send us signed, sworn proof of loss containing the information we request to investigate the "computer attack". You must do this within 60 days after our request. We will supply you with the necessary forms.
- (6) Cooperate with us in the investigation or settlement of the "computer attack".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "computer attack" or "loss".

- d.** 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" or "loss", including an "insured's" books and records. In the event of an examination, an "insured's" answers must be signed.
- e.** No "insured" may, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

4. Legal Action Against Us

a. No person or organization has a right:

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

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

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

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

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

5. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the "policy period", we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a.** The date we implemented the change in your state; or
- b.** The date this Coverage Part became effective; and

will be considered as included until the end of the current "policy period". We will make no additional premium charge for this additional coverage during the interim.

6. Office of Foreign Assets Control (OFAC) Compliance

Whenever insurance coverage provided by this policy would be in violation of any United States economic or trade sanctions, such insurance coverage shall be null and void.

7. Other Insurance

- a.** If any covered "loss" is covered by any other valid policy, then this Coverage Part shall apply only in excess of the amount of any deductible, retention and limit of insurance under such other policy whether such other policy is stated to be primary, contributory, excess, contingent or otherwise, unless such other policy is written specifically excess of this Coverage Part by reference in such other policy to this policy's policy number.
- b.** When this insurance is excess, we will have no duty to defend the "insured" against any "claim" if any other insurer has a duty to defend the "insured" against that "claim". But we will have the right to associate in the defense and control of any "claim" that we reasonably believe is likely to involve the insurance provided under this Coverage Part. If no other insurer defends, we will undertake to do so, but we will be entitled to the "insured's" rights against all those other insurers.

8. Representations

You represent that all information and statements contained in any application or questionnaire submitted in connection with this Coverage Part are true, accurate and complete. All such information and statements are the basis for our issuing this Coverage Part and shall be considered as incorporated into and shall constitute a part of this Coverage Part. Misrepresentation or omission of any material fact may be grounds for the rescission of this Coverage Part.

9. Separation of Insureds

Except with respect to the applicable Limit of Insurance, and any rights or duties specifically assigned in this Coverage Part or the policy to which it is attached, to the first "named insured", this insurance applies separately to each "insured" against whom "claim" is made.

10. Services

The following conditions apply as respects any services provided to you by any service firm provided or paid for in whole or in part under this Coverage Part:

- a.** The effectiveness of such services depends on your cooperation and assistance.
- b.** We do not warrant or guarantee that the services will end or eliminate all problems associated with the covered events.

11. Subrogation

With respect to any payment under this Coverage Part on behalf of any "insured", we shall be subrogated to the "insured's" rights of recovery to the extent of such payment. The "insured" shall execute all papers required and shall do everything necessary to secure and preserve such rights, including the execution of such documents necessary to enable us to bring suit in the "insured's" name. Any recoveries, less the cost of obtaining them, will be distributed as follows:

- a. To you, until you are reimbursed for any "loss" you sustain that exceeds the sum of the applicable Aggregate Limit of Insurance and the Deductible Amount, if any;
- b. Then to us, until we are reimbursed for the payment under this Coverage Part;
- c. Then to you, until you are reimbursed for that part of the payment equal to the Deductible Amount, if any.

12. Valuation - Settlement

All premiums, Limits of Insurance, Deductible Amounts, "loss" and any other monetary amounts under this Coverage Part are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is agreed to or another component of "loss" under this Coverage Part is expressed in any currency other than United States of America dollars, payment under this Coverage Part shall be made in United States dollars at the rate of exchange published in *The Wall Street Journal* on the date the final judgment is entered, settlement amount is agreed upon, or the other component of "loss" is due, respectively.

13. When We Do Not Renew

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

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

SECTION V - EXTENDED REPORTING PERIODS

1. You shall have the right to the Extended Reporting Periods described in this section, in the event that:
 - a. You or we cancel this Coverage Part;
 - b. You or we refuse to renew this Coverage Part; or
 - c. We renew this Coverage Part on other than a claims-made basis or with a retroactive date later than the Retroactive Date shown in the Declarations.

2. If an event as specified in Paragraph 1. has occurred, you shall have the right to the following:

- a. An Automatic Extended Reporting Period of 90 days after the effective date of cancellation or nonrenewal at no additional premium in which to give to us written notice of a:
 - (1) "Claim" of which you first receive notice during said Automatic Extended Reporting Period for any "wrongful act" occurring on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
 - (2) "Computer attack" you first discover during said Automatic Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; and

- b. Upon payment of the additional premium stated in the Declarations, a Supplemental Extended Reporting Period for the term stated in the Supplemental Extended Reporting Period Endorsement will be provided immediately following the effective date of cancellation or nonrenewal in which to give to us written notice of a:
 - (1) "Claim" of which you first receive notice during said Supplemental Extended Reporting Period for any "wrongful act" occurring on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part; or
 - (2) "Computer attack" you first discover during said Supplemental Extended Reporting Period which first occurred on or after the Retroactive Date shown in the Declarations and before the end of the "policy period" and which is otherwise covered by this Coverage Part.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 60 days of the effective date of cancellation or nonrenewal. The additional premium for the Supplemental Extended Reporting Period shall be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not re-

ceive the written request as required, you may not exercise this right at a later date.

- c. The Limits of Insurance for the Extended Reporting Periods shall be part of, and not in addition to, the Limits of Insurance for the immediately preceding "coverage term".

SECTION VI - DEFINITIONS

1. "Actual cash value" means replacement cost less a deduction that reflects depreciation, age, condition and obsolescence.
2. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
3. "Business income loss" means the sum of the:
 - a. Net income (net profit or loss before income taxes) that would have been earned or incurred; and
 - b. Continuing normal and necessary operating expenses incurred, including "employee", "executive" and "independent contractor" payroll,

actually lost by you during the "period of restoration".

4. "Claim":
 - a. Means a civil proceeding against an "insured" in which damages are alleged arising from a "wrongful act" or a series of "interrelated" "wrongful acts" allegedly committed by an "insured", including any appeal therefrom.
 - b. "Claim" includes:
 - (1) An arbitration or alternative dispute resolution proceeding that the "insured" is required to submit to or does submit to with our consent; or
 - (2) A written demand for money, when such demand could reasonably result in a civil proceeding as described in this definition.
 - c. Does not include any demand or action brought by or on behalf of someone who is:
 - (1) Your "executive";
 - (2) Your owner or part-owner; or
 - (3) A holder of your securities;
 in their capacity as such, whether directly, derivatively, or by dross action.

5. "Computer attack" means one of the following involving the "computer system":
 - a. An "unauthorized access incident";
 - b. A "malware attack";
 - c. A "denial of service attack" against a "computer system"; or
 - d. A "cyber extortion threat".
6. "Computer system" means a computer or other electronic hardware that:
 - a. Is owned or leased by you and operated under your control; or
 - b. Is operated by a third party service provider and used for the purpose of providing hosted computer application services to you or for processing, maintaining, hosting or storing your electronic data, pursuant to a written contract with you for such services, but such computer or other electronic hardware operated by such third party shall only be considered to be a "computer system" with respect to the specific services provided by such third party to you under such contract.
7. "Coverage term" means the following individual increment, or if a multi-year "policy period", increments, of time, which comprise the "policy period" of this Coverage Part:
 - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year "policy period", each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
 - (1) The day the "policy period" shown in the Declarations ends; or
 - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
 - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
8. "Coverage territory" means anywhere in the world.
9. "Cyber extortion expenses" means:

- a. The cost of a negotiator or investigator retained by you in connection with a "cyber extortion threat"; and
- b. Any amount paid by you in response to a "cyber extortion threat" to the party that made the "cyber extortion threat" for the purposes of eliminating the "cyber extortion threat";

when such expenses are necessary and reasonable and arise directly from a "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.

10. "Cyber extortion threat" means a demand for money from you based on a credible threat, or series of related credible threats, to:
- a. Launch a "denial of service attack" against the "computer system";
 - b. Gain access to a "computer system" and use that access to steal, release or publish "personally identifying information", "personally sensitive information" or "third party corporate data";
 - c. Alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";
 - d. Launch a "computer attack" against a "computer system" in order to alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";
 - e. Cause the "insured" to transfer, pay or deliver any funds or property using a "computer system" without your authorization; or
 - f. Inflict "ransomware" on a "computer system".

"Cyber extortion threat" does not include any threat made in connection with a legitimate commercial dispute.

11. "Cyber terrorism" means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives. Provided, however, that such activities shall not be considered "cyber terrorism" when they are committed by or at the express direction of a government simultaneously engaged in an active conflict involving physical combat by one or more military forces of, or operating at the

direction of, nation states or factions in the case of a civil war.

12. "Data re-creation costs":

- a. "Data re-creation costs" means the costs of an outside professional firm hired by you to research, re-create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.
- b. "Data re-creation costs" also means your actual "business income loss" and your necessary and reasonable "extra expenses" arising from the lack of the lost or corrupted data during the time required to research, re-create and replace such data.
- c. "Data re-creation costs" does not mean costs to research, re-create or replace:
 - (1) Software programs or operating systems that are not commercially available; or
 - (2) Data that is obsolete, unnecessary or useless to you.

13. "Data restoration costs":

- a. Means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs", such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.
- b. Does not include costs to research, restore or replace:
 - (1) Software programs or operating systems that are not commercially available; or
 - (2) Data that is obsolete, unnecessary or useless to you.

14. "Defense costs":

- a. Means reasonable and necessary expenses resulting solely from the investigation, defense and appeal of any "claim" against an "insured". Such expenses may be incurred by us. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.
- b. Does not include the salaries or wages of your "employees". "executives" or "independent contractors", or your loss of earnings.

15. "Denial of service attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the internet.
16. "Electronic media incident" means the display of information in electronic form by you on a website or in an "insured's" email that resulted in an allegation of:
 - a. Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;
 - b. Defamation against a person or organization that is unintended;
 - c. A violation of a person's right of privacy, including false light and public disclosure of private facts; or
 - d. Interference with a person's right of publicity.
17. "Employee" means any natural person, other than an "executive" or "independent contractor", who was, now is or will be:
 - a. Employed on a full- or part-time basis by you;
 - b. Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;
 - c. Leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph b.; or
 - d. Your volunteer worker, which includes unpaid interns.
18. "Executive" means any natural person who was, now is or will be:
 - a. The owner of a sole proprietorship that is a "named insured"; or
 - b. A duly elected or appointed:
 - (1) Director;
 - (2) Officer;
 - (3) Managing Partner;
 - (4) General Partner;
 - (5) Member (if a limited liability company);
 - (6) Manager (if a limited liability company); or
- (7) Trustee,
of a "named insured".
19. "Extra expense" means the additional cost you incur to operate your business during the "period of restoration" over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.
20. "Independent contractor" means any natural person who performs labor or service for you under a written contract or agreement with you. The status of an individual as an "independent contractor" will be determined as of the date of an alleged act, error or omission by such "independent contractor".
21. "Insured" means:
 - a. With respect to Insuring Agreement **A** - Computer Attack any "named insured".
 - b. With respect to Insuring Agreement **B** - Network Security and Electronic Media Liability:
 - (1) Any "named insured"; and
 - (2) Any "employee" or "executive" of a "named insured", but:
 - (a) Only for the conduct of the "named insured's" business within the scope of his or her employment or duties as an "executive"; and
 - (b) Such "employee" or "executive" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.
 - (3) At your option, any "independent contractor", but:
 - (a) Only for conduct related to the "named insured's" business and within the scope of his or her duties as an "independent contractor"; and
 - (b) Such "independent contractor" shall not be an "insured" to the extent his or her actions or omissions are criminal, fraudulent, dishonest or constitute an intentional or knowing violation of the law.
22. "Interrelated" means all events or incidents that have as a common nexus any:
 - a. Fact, circumstance, situation, event, transaction, cause; or

- b. Series of causally connected facts, circumstances, situations, events, transactions or causes.
- 23. "Loss" means:**
- a. With respect to Insuring Agreement **A** - Computer Attack:
- Those expenses enumerated in Section **I, A.**, Paragraph **1.b.**
- b. With respect to Insuring Agreement **B** - Network Security and Electronic Media Liability:
- (1) "Defense costs"; and
- (2) "Settlement costs".
- 24. "Malware attack" means an attack that damages a "computer system" or data contained therein arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers. This does not mean damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your "computer system" during the manufacturing process or normal maintenance.**
- 25. "Named insured" means the entity or entities shown in the Declarations as a Named Insured and their "subsidiaries".**
- 26. "Network security incident" means a negligent security failure or weakness with respect to a "computer system" which allowed one or more of the following to happen:**
- a. The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code.
- b. The unintended abetting of a "denial of service attack" against one or more other systems.
- c. The unintended loss, release or disclosure of "third party corporate data".
- 27. "Period of restoration" means the period of time that begins at the time that the "computer attack" is discovered by you and continues until the earlier of:**
- a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed; or
- b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch.
- 28. "Personally identifying information" means information, including health information, that**
- could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an individual. This includes, but is not limited to, Social Security numbers or account numbers.
- "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.
- 29. "Personally sensitive information" means private information specific to an individual the release of which requires notification of affected individuals under any applicable law.**
- "Personally sensitive information" does not mean or include "personally identifying information".
- 30. "Policy period" means the cumulative total of each individual "coverage term" comprising the period of time from the inception date of this Coverage Part shown in the Declarations to the expiration date shown in the Declarations, or its earlier cancellation or termination date.**
- 31. "Property damage" means:**
- a. Physical injury to or destruction of tangible property including all resulting loss of use; or
- b. Loss of use of tangible property that is not physically injured.
- 32. "Ransomware" means any software that is used to demand a ransom payment by:**
- a. Restricting access to a "computer system"; or
- b. Encrypting data held within a "computer system".
- 33. "Settlement costs":**
- a. Means the following, when they arise from a "claim":
- (1) Damages (including punitive and exemplary damages and the multiple portion of any multiplied damage award), judgments or settlements;
- (2) Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and
- (3) Pre-judgment interest on that part of any judgment paid by us.
- b. Does not include:
- (1) Civil or criminal fines or penalties imposed by law;

- (2) Taxes; or
 - (3) Matters which may be deemed uninsurable under the applicable law.
- c.** With respect to punitive, exemplary and multiplied damages, the law of the jurisdiction most favorable to the insurability of those fines, penalties or damages shall control for the purpose of resolving any dispute between us and any "insured" regarding whether the fines, penalties or damages specified in this definition above are insurable under this Coverage Part, provided that such jurisdiction:
- (1) Is where those fines, penalties or damages were awarded or imposed;
 - (2) Is where any "personal data compromise" took place for which such fines, penalties or damages were awarded or imposed;
 - (3) Is where you are incorporated or you have your principal place of business; or
 - (4) Is where we are incorporated or have our principal place of business.
- 34.** "Subsidiary" means any organization in which more than fifty (50) percent (%) of the outstanding securities or voting rights representing the present right to vote for the election of directors, trustees, managers (if a limited liability company) or persons serving in a similar capacity is owned, in any combination, by one or more "named insured(s)".
- 35.** "System restoration costs":
- a.** Means the costs of an outside professional firm hired by you to do any of the following in order to restore your "computer system" to its pre- "computer attack" level of functionality:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your "computer system".
- b.** Does not include:
- (1) Costs to increase the speed, capacity or utility of your "computer system";
 - (2) Labor of your "employees" or "executives";
 - (3) Any costs in excess of the "actual cash value" of your "computer system"; or
 - (4) Costs to repair or replace hardware.
- 36.** "Third party corporate data" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not an "insured" under this Coverage Part which is not available to the general public and is provided to the "named insured" subject to a mutually executed written confidentiality agreement or which the "named insured" is legally required to maintain in confidence; however, "third party corporate data" shall not include "personally identifiable information" or "personally sensitive information".
- 37.** "Unauthorized access incident" means the gaining of access to a "computer system" by:
- a.** An unauthorized person or persons; or
 - b.** An authorized person or persons for unauthorized purposes.
- 38.** "Wrongful act" means:
- a.** An "electronic media incident"; or
 - b.** A "network security incident".

Certificate Of Completion

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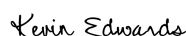
Signer Events

Kevin Edwards

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Director of Procurement

Metro Nashville Public Schools

Security Level: Email, Account Authentication
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CEO

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Mary Cypress Metz

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Board Chair

Security Level: Email, Account Authentication
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Using IP Address: 12.2.73.226

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Electronic Record and Signature Disclosure:

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Kevin Knapp

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Security Level: Email, Account Authentication
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Signer Events	Signature	Timestamp
<p>Shereka Roby-Grant shereka.robby@mnps.org Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p></p> <p>Signature Adoption: Pre-selected Style Using IP Address: 98.46.116.79</p>	<p>Sent: 7/19/2023 11:53:05 AM Viewed: 7/20/2023 12:01:59 PM Signed: 7/20/2023 12:05:39 PM</p>
<p>Renita Perry renita.perry@mnps.org Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p></p> <p>Signature Adoption: Pre-selected Style Using IP Address: 96.4.9.1</p>	<p>Sent: 7/20/2023 12:05:54 PM Viewed: 7/25/2023 8:39:49 AM Signed: 7/25/2023 8:40:00 AM</p>
<p>Jackie Taylor jackie.taylor@mnps.org Contract Agent MNPS Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p></p> <p>Signature Adoption: Pre-selected Style Using IP Address: 96.4.9.82</p>	<p>Sent: 7/25/2023 8:40:18 AM Viewed: 7/26/2023 8:25:43 AM Signed: 7/26/2023 8:25:58 AM</p>
<p>Chris Henson chris.henson@mnps.org CFO Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p></p> <p>Signature Adoption: Uploaded Signature Image Using IP Address: 96.4.9.1</p>	<p>Sent: 7/26/2023 8:26:16 AM Viewed: 7/26/2023 8:27:00 AM Signed: 7/26/2023 8:27:17 AM</p>
<p>Rachel Elrod Cameo.Bobo@mnps.org Board Chair Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p></p> <p>Signature Adoption: Pre-selected Style Using IP Address: 96.4.9.1</p>	<p>Sent: 7/26/2023 8:27:34 AM Viewed: 7/26/2023 8:32:27 AM Signed: 7/26/2023 8:32:41 AM</p>
<p>Rose Wood rose.wood@nashville.gov Security Level: Email, Account Authentication (None)</p> <p>Electronic Record and Signature Disclosure: Not Offered via DocuSign</p>	<p></p> <p>Signature Adoption: Pre-selected Style Using IP Address: 170.190.198.185</p>	<p>Sent: 7/26/2023 8:32:56 AM Viewed: 7/26/2023 8:57:31 AM Signed: 7/26/2023 8:58:06 AM</p>

Signer Events	Signature	Timestamp
<div>Kelly Flannery</div> <div>Aaron.Pratt@nashville.gov</div> <div>Security Level: Email, Account Authentication (None)</div> <div>Electronic Record and Signature Disclosure: Not Offered via DocuSign</div>	<div><div><div>DocuSigned by:</div><div>Kelly Flannery/ap</div><div>DB59844A2DE04C4...</div></div></div> <div>Signature Adoption: Uploaded Signature Image</div> <div>Using IP Address: 170.190.198.185</div>	<div>Sent: 7/26/2023 8:58:20 AM</div> <div>Resent: 7/28/2023 7:42:04 AM</div> <div>Viewed: 7/28/2023 8:06:14 AM</div> <div>Signed: 7/28/2023 8:06:29 AM</div>
<div>Sally Palmer</div> <div>sally.palmer@nashville.gov</div> <div>Metro Water Services</div> <div>Security Level: Email, Account Authentication (None)</div> <div>Electronic Record and Signature Disclosure: Not Offered via DocuSign</div>	<div>Completed</div> <div>Using IP Address: 170.190.198.100</div>	<div>Sent: 7/28/2023 8:06:43 AM</div> <div>Viewed: 7/28/2023 10:07:41 AM</div> <div>Signed: 7/28/2023 10:10:46 AM</div>
<div>Balogun Cobb</div> <div>Balogun.cobb@nashville.gov</div> <div>Insurance Division Manager</div> <div>Security Level: Email, Account Authentication (None)</div> <div>Electronic Record and Signature Disclosure: Not Offered via DocuSign</div>	<div><div><div>Balogun Cobb</div></div></div> <div>Signature Adoption: Pre-selected Style</div> <div>Using IP Address: 170.190.198.144</div>	<div>Sent: 7/28/2023 10:11:00 AM</div> <div>Viewed: 7/31/2023 9:22:38 AM</div> <div>Signed: 7/31/2023 10:33:49 AM</div>
<div>Justin Marsh</div> <div>Justin.Marsh@nashville.gov</div> <div>Security Level: Email, Account Authentication (None)</div> <div>Electronic Record and Signature Disclosure: Not Offered via DocuSign</div>	<div><div><div>Justin Marsh</div></div></div> <div>Signature Adoption: Pre-selected Style</div> <div>Using IP Address: 170.190.198.144</div>	<div>Sent: 7/31/2023 10:34:04 AM</div> <div>Viewed: 7/31/2023 1:13:53 PM</div> <div>Signed: 7/31/2023 1:14:13 PM</div>
<div>Austin Kyle</div> <div>publicrecords@nashville.gov</div> <div>Security Level: Email, Account Authentication (None)</div> <div>Electronic Record and Signature Disclosure: Not Offered via DocuSign</div>	<div><div><div>Austin Kyle</div></div></div> <div>Signature Adoption: Pre-selected Style</div> <div>Using IP Address: 170.190.198.100</div>	<div>Sent: 7/31/2023 1:14:31 PM</div> <div>Viewed: 7/31/2023 1:57:42 PM</div> <div>Signed: 7/31/2023 1:57:48 PM</div>
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Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp

Carbon Copy Events	Status	Timestamp
Sally Palmer Sally.Palmer@nashville.gov Metro Water Services Security Level: Email, Account Authentication (None) Electronic Record and Signature Disclosure: Not Offered via DocuSign	<div>COPIED</div>	Sent: 7/31/2023 1:14:29 PM

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Notary Events	Signature	Timestamp
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Payment Events	Status	Timestamps
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