



Billing Number: 0007299650

Policy Number: AM 9214510 07

COMMON POLICY DECLARATIONS

COUNTRY Mutual Insurance Company

1701 Towanda Ave., P.O. Box 2100, Bloomington Illinois 61702-2100

Item 1. Named Insured and Mailing Address
LINCOLN SCHOOLS CONDOMINIUMS
OWNERS ASSOCIATION
980 WILLAMETTE ST STE 200
EUGENE OR 97401-3157

Agent Name and Address
THOMPSON ROBERT
2295 COBURG RD
STE 101
EUGENE OR 97401-0000

Agent No. 13963

Agent Phone No.: (541) 242-0999

Item 2. Policy Period From: 01-22-2023 To: 01-22-2024

at 12:01 A.M., Standard Time at your mailing address shown above.

Item 3. Business Description: RESIDENTIAL CONDOMINIUM ASSOCIATION
Form of Business: ASSOCIATION

Item 4. 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.

Table with 2 columns: Description, Premium. Row: BUSINESSOWNERS, \$ 7,361.00

TAX OR SURCHARGE

Table with 2 columns: Description, Amount. Rows: Total Policy Premium / Total Advance Premium \$ 7,361.00; Standard Payment Plan Charges; Policy Grand Total \$ 7,361.00; Payment Plan Annual

If you wish to request a copy of your policy, contact your COUNTRY Financial® representative or call our Customer Service Center at 1-888-211-2555.

Item 5. Forms and Endorsements

Form(s) and Endorsement(s) made a part of this policy at time of issue:

See Schedule of Forms and Endorsements

Countersigned:

Date: 12-18-22

By:

Handwritten signature of authorized representative

Authorized Representative

TO REPORT A CLAIM ANY TIME DAY OR NIGHT, CALL 1-866-COUNTRY.

THIS COMMON POLICY DECLARATION AND THE SUPPLEMENTAL DECLARATION(S), TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART(S), COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, COMPLETE THE ABOVE NUMBERED POLICY.

AIL DS 03 03 20



Policy Number: 002133230
Key Number: 0114110

COMMON POLICY DECLARATIONS

COUNTRY Mutual Insurance Company

Agent Name and Address
1700 20th Street
1000 10th St
1000 10th St
1000 10th St

Insured Name and Home Address
1700 20th Street
1000 10th St
1000 10th St
1000 10th St

Policy No. 13323

Policy Period: 12/1/2000 to 11/30/2001

Insured's Policy Period: From 01-01-2001 to 11-30-2001

at 1000 10th St, Denver, CO 80202-1000

Insured's Business Description: RESTAURANT AND BAR

Form of Business: RESTAURANT

Insured's consent to the payment of the premium, and subject to the terms and conditions of the policy, the agreement to issue the insurance as stated in the policy.

PREMIUM
\$ 7,361.00

TAX OR REFUND

Total Policy Premium: 7,361.00
Premium Payment For Charge: 7,361.00
Policy Cash Value: 0.00
Premium For Amount: 0.00

If you wish to request a copy of your policy, contact your COUNTRY Financial representative or call our Customer Service Center at 1-800-541-0000.

Form 1099 will be provided.

Form 1099 (Electronic) made a copy of this policy is free to look.

See Schedule of Forms and Endorsements.

Agent Name

Company
Date: 12-1-01

TO REPORT A CLAIM, CALL 1-800-541-0000.

THE COMPANY AND ITS AGENTS ARE NOT PROVIDING FINANCIAL, INVESTMENT, OR TAX ADVICE. CONSULT YOUR FINANCIAL ADVISOR FOR MORE INFORMATION. THE COMPANY AND ITS AGENTS ARE NOT PROVIDING LEGAL ADVICE. CONSULT YOUR ATTORNEY FOR MORE INFORMATION.

12/01/01



Policy Number
AM 9214510 07

SCHEDULE OF LOCATIONS

COUNTRY Mutual Insurance Company

Named Insured LINCOLN SCHOOLS CONDOMINIUMS

Effective Date: 01-22-23
12:01 A.M., Standard Time

Agent Name THOMPSON ROBERT

Agent No. 13963

Loc. No.	Bldg. No.	Designated Locations (Address, City, State, Zip Code)	Occupancy
001	001	650 W 12TH AVE, EUGENE, OR 97402-4000	59 UNIT CONDOMI

LOC-SCHED (01/97)

5E111/41000 LINCOLN SCHOOLS CONDOMINIUMS 01/22/23



COUNTRY Mutual Insurance Company

SCHEDULE OF LOCATIONS

Policy Number
or #211210 01

Effective Date: 12/31/2011
Contract No: 13381
1211 A.M. Mutual Time
12/31/2011

Location	Address	City	State	Zip	Country
001	1211 A.M. Mutual Time	1211 A.M. Mutual Time	1211 A.M. Mutual Time	1211 A.M. Mutual Time	1211 A.M. Mutual Time

Country Mutual Insurance Company



ADDITIONAL INTEREST SCHEDULE
COUNTRY Mutual Insurance



Named Insured:	LINCOLN SCHOOLS CONDOMINIUMS O	Effective Date:	01/22/23	12:01 A.M, Standard Time
Agent Name:	THOMPSON ROBERT	Agent Number:	13963AA	

Loc. No.	Bldg. No.	Mortgagee Name and Address
1	1	CENTRAL MORGAGE CO ISAOA 801 JOHN BARROW RD STE 1 LITTLE ROCK, AZ 72205



ADDITIONAL INTEREST SCHEDULE

PROPERTY: 123456789



Account Number	Interest Rate	Term	Start Date	End Date
123456789	5.00%	12 Months	01/01/2023	12/31/2023

Account Number	Interest Rate	Term	Start Date	End Date
123456789	5.00%	12 Months	01/01/2023	12/31/2023
123456789	5.00%	12 Months	01/01/2023	12/31/2023
123456789	5.00%	12 Months	01/01/2023	12/31/2023

12345

12345



Billing Number: 0007299650
 Policy Number: AM 9214510 07

**BUSINESSOWNERS POLICY DECLARATIONS
 COUNTRY Mutual Insurance Company**

Policy Period From: 01-22-2023 To: 01-22-2024 12:01 A.M. Standard Time

Named Insured: LINCOLN SCHOOLS CONDOMINIUMS
 Date: 01-22-2023

Effective

12:01 A.M., Standard Time

Representative Name: THOMPSON ROBERT

Representative No.: 13963

DESCRIBED PREMISES: See Schedule of Locations

Coverage is applicable only if an "X" is shown in the boxes below and / or a limit of insurance is shown.

POLICY COVERAGES:		Limits of Insurance	
Loc. No.	Bldg. No.	Coverage	Blanket #, if applicable Limits of Insurance
001	001	Building	\$ 6,579,700
		Replacement Cost	Y
		Actual Cash Value - Building Option	N
		Automatic Increase - Building Limit	4 %
		Business Personal Property	

MORTGAGE HOLDER NAME AND ADDRESS: See Schedule of Mortgagees

DEDUCTIBLES (Apply Per Location, Per Occurrence):

Property Ded: \$ 5,000	Optional Coverage Ded: \$ 500
Property Damage Liab Ded:	Earthquake: %

OPTIONAL COVERAGES:		Limits of Insurance
<input type="checkbox"/>	Employee Dishonesty	Per occurrence
<input type="checkbox"/>	Outdoor Signs	Per occurrence
<input type="checkbox"/>	Burglary and Robbery (Named Perils only)	Inside the Premises Outside the Premises
<input type="checkbox"/>	Money and Securities	Inside the Premises Outside the Premises
<input type="checkbox"/>	Coverage Extensions - Optional Higher Limits Accounts Receivable Valuable Papers and Records	
<input type="checkbox"/>	Additional Coverages - Optional Higher Limits Forgery and Alteration Business Income From Dependent Properties Business Income - Extended Number of Days for Ordinary Payroll Expenses Extended Business Income - Extended Number of Days	Extended No. of Days Extended No. of Days
X	Other (specify) - See Businessowners Optional Coverages Schedule	

THESE DECLARATIONS ARE PART OF THE POLICY DECLARATIONS CONTAINING THE NAME OF THE INSURED AND THE POLICY PERIOD.

0007299650/AM921451007



COUNTRY MUTUAL FINANCE COMPANY BRIEFER'S POLICY DECLARATION

Policy Number: 001234567
Billing Number: 001234567

Policy Period: 01/01/2024 to 12/31/2024

Insured: [Name]
Address: [Address]
City: [City] State: [State] Zip: [Zip]

Insured's Date of Birth: [DOB]

Policy Number: [Policy No.]

Policy Type: [Policy Type]

Policy Amount: [Amount]

Policy Term: [Term]

Policy Status: [Status]

Policy Description: [Description]

Policy Features: [Features]

Policy Exclusions: [Exclusions]

Policy Conditions: [Conditions]

Policy Riders: [Riders]

Policy Endorsements: [Endorsements]

Policy Renewal: [Renewal]

Policy Cancellation: [Cancellation]

Policy Assignment: [Assignment]

Policy Surrender: [Surrender]

Policy Loans: [Loans]

Policy Withdrawals: [Withdrawals]

Policy Beneficiaries: [Beneficiaries]



Billing Number: 0007299650
 Policy Number: AM 9214510 07

BUSINESSOWNERS POLICY DECLARATIONS
COUNTRY Mutual Insurance Company

1701 Towanda Ave., P.O. Box 2100, Bloomington Illinois 61702-2100

Policy Period From: 01-22-2023 To: 01-22-2024 12:01 A.M. Standard Time

Effective Date: 01-22-2023
 12:01A.M. Standard Time

Insured Name and Address

LINCOLN SCHOOLS CONDOMINIUMS OWNERS

Agent Name THOMPSON ROBERT

Agent Number: 13963

OPTIONAL COVERAGES - OTHER

Loc. No.	Bldg. No.	Coverage	Limit of Insurance
001	001	DIRECTORS & OFFICERS ORDINANCE OR LAW	\$2,000,000 INCL.

This document is part of your policy. Please keep it with your other documents.

ABP DS 04 06 06



Policy Number: 1000000000
Form Number: 1000000000

BUSINESSOWNERS POLICY DECLARATION

COUNTRY Mutual Insurance Company

1000000000, 1000000000, 1000000000
Policy Term Date: 01-01-2025 to 01-31-2026, 1000000000, 1000000000

Effective Date: 01-01-2025
1000000000, 1000000000

Printed Name and Address

1000000000, 1000000000, 1000000000

1000000000, 1000000000

1000000000, 1000000000

OPTIONAL COVERAGES - OTHER

Line No.	Code	Coverage	Limit of Insurance
001	001	1000000000 & 1000000000 1000000000 ON 1000000000	1000000000 1000000000

1000000000, 1000000000, 1000000000, 1000000000, 1000000000

1000000000, 1000000000

LIABILITY AND MEDICAL PAYMENTS

Except For Damage To Premises Rented To You, each paid claim for the following liability coverages reduces the amount of insurance we provide during the applicable annual period. Please refer to Paragraph D.4 of the Businessowners Liability Coverage Form or Section II-Liability in the Businessowners Coverage Form and any attached endorsements.

	Limits of Insurance	
Liability and Medical Expenses / General Aggregate	\$ 2,000,000/	\$ 4,000,000
Medical Expenses	\$ 10,000	Per person
Products / Completed Operations / Aggregate	\$ 4,000,000	
Damage To Premises Rented To You	\$ 50,000	Any one fire or explosion
Tenants Liability		
Damage To Premises Rented To You (In Excess of \$50,000)		
Self-storage Facilities		
Customer Goods Legal Liability		Per occurrence
Sale and Disposal Liability		
Motels		
Liability For Guests' Property (Subject to Base Property Deductible)		Per guest Per occurrence
Liability For Guests' Property in Safe Deposit Boxes		Per occurrence

ANNUAL PREMIUM AUDITS

Policy Subject to Premium Audit: YES Liability Exposure Base: (Sales or Payroll)
 Subcontracted Work: (Cost)

FORMS AND ENDORSEMENTS See Schedule of Forms and Endorsements

BLANKET INSURANCE:

Blanket #	Type of Property	Limit of Insurance

Minimum Premium: \$400.00

Total BOP Premium / Total BOP Advance Premium **\$7,361.00**

LIABILITY AND MEDICAL RESERVE

Interest for January is accrued for the period ending on the 31st day of January. Interest for the period ending on the 31st day of January is accrued for the period ending on the 31st day of January. Interest for the period ending on the 31st day of January is accrued for the period ending on the 31st day of January.

Account	Debit	Credit	Balance
Interest for January		1,000.00	1,000.00
Interest for December		1,000.00	2,000.00
Interest for November		1,000.00	3,000.00
Interest for October		1,000.00	4,000.00
Interest for September		1,000.00	5,000.00
Interest for August		1,000.00	6,000.00
Interest for July		1,000.00	7,000.00
Interest for June		1,000.00	8,000.00
Interest for May		1,000.00	9,000.00
Interest for April		1,000.00	10,000.00
Interest for March		1,000.00	11,000.00
Interest for February		1,000.00	12,000.00
Interest for January		1,000.00	13,000.00
Interest for December		1,000.00	14,000.00
Interest for November		1,000.00	15,000.00
Interest for October		1,000.00	16,000.00
Interest for September		1,000.00	17,000.00
Interest for August		1,000.00	18,000.00
Interest for July		1,000.00	19,000.00
Interest for June		1,000.00	20,000.00
Interest for May		1,000.00	21,000.00
Interest for April		1,000.00	22,000.00
Interest for March		1,000.00	23,000.00
Interest for February		1,000.00	24,000.00
Interest for January		1,000.00	25,000.00
Interest for December		1,000.00	26,000.00
Interest for November		1,000.00	27,000.00
Interest for October		1,000.00	28,000.00
Interest for September		1,000.00	29,000.00
Interest for August		1,000.00	30,000.00
Interest for July		1,000.00	31,000.00
Interest for June		1,000.00	32,000.00
Interest for May		1,000.00	33,000.00
Interest for April		1,000.00	34,000.00
Interest for March		1,000.00	35,000.00
Interest for February		1,000.00	36,000.00
Interest for January		1,000.00	37,000.00
Interest for December		1,000.00	38,000.00
Interest for November		1,000.00	39,000.00
Interest for October		1,000.00	40,000.00
Interest for September		1,000.00	41,000.00
Interest for August		1,000.00	42,000.00
Interest for July		1,000.00	43,000.00
Interest for June		1,000.00	44,000.00
Interest for May		1,000.00	45,000.00
Interest for April		1,000.00	46,000.00
Interest for March		1,000.00	47,000.00
Interest for February		1,000.00	48,000.00
Interest for January		1,000.00	49,000.00
Interest for December		1,000.00	50,000.00
Interest for November		1,000.00	51,000.00
Interest for October		1,000.00	52,000.00
Interest for September		1,000.00	53,000.00
Interest for August		1,000.00	54,000.00
Interest for July		1,000.00	55,000.00
Interest for June		1,000.00	56,000.00
Interest for May		1,000.00	57,000.00
Interest for April		1,000.00	58,000.00
Interest for March		1,000.00	59,000.00
Interest for February		1,000.00	60,000.00
Interest for January		1,000.00	61,000.00
Interest for December		1,000.00	62,000.00
Interest for November		1,000.00	63,000.00
Interest for October		1,000.00	64,000.00
Interest for September		1,000.00	65,000.00
Interest for August		1,000.00	66,000.00
Interest for July		1,000.00	67,000.00
Interest for June		1,000.00	68,000.00
Interest for May		1,000.00	69,000.00
Interest for April		1,000.00	70,000.00
Interest for March		1,000.00	71,000.00
Interest for February		1,000.00	72,000.00
Interest for January		1,000.00	73,000.00
Interest for December		1,000.00	74,000.00
Interest for November		1,000.00	75,000.00
Interest for October		1,000.00	76,000.00
Interest for September		1,000.00	77,000.00
Interest for August		1,000.00	78,000.00
Interest for July		1,000.00	79,000.00
Interest for June		1,000.00	80,000.00
Interest for May		1,000.00	81,000.00
Interest for April		1,000.00	82,000.00
Interest for March		1,000.00	83,000.00
Interest for February		1,000.00	84,000.00
Interest for January		1,000.00	85,000.00
Interest for December		1,000.00	86,000.00
Interest for November		1,000.00	87,000.00
Interest for October		1,000.00	88,000.00
Interest for September		1,000.00	89,000.00
Interest for August		1,000.00	90,000.00
Interest for July		1,000.00	91,000.00
Interest for June		1,000.00	92,000.00
Interest for May		1,000.00	93,000.00
Interest for April		1,000.00	94,000.00
Interest for March		1,000.00	95,000.00
Interest for February		1,000.00	96,000.00
Interest for January		1,000.00	97,000.00
Interest for December		1,000.00	98,000.00
Interest for November		1,000.00	99,000.00
Interest for October		1,000.00	100,000.00

Total 2017 Premium Total 2017 Reserve Premium	1,000.00
Amount Premium	1,000.00



Policy Number

AM 9214510 07

SCHEDULE OF FORMS AND ENDORSEMENTS

COUNTRY Mutual Insurance Company

Named Insured LINCOLN SCHOOLS CONDOMINIUMS

Effective Date: 01-22-23
12:01 A.M., Standard Time

Agent Name THOMPSON ROBERT

Agent No. 13963

COMMON POLICY FORMS AND ENDORSEMENTS

FORM-SCHED	01-97	SCHEDULE OF FORMS AND ENDORSEMENTS
AIL DS 03	03-20	COMMON RENEWAL POLICY DECLARATION
LOC-SCHED	01-97	SCHEDULE OF LOCATIONS
AI-SCHED	11-15	ADDITIONAL INTEREST SCHEDULE
AIL 10 09	09-14	MUTUAL POLICY CONDITIONS
AIL 10 11	05-14	PUNITIVE DAMAGES EXCL
AIL 10 19	07-17	POLLUTION AMENDATORY ENDT
AIL 10 37	06-06	NO ACTION AGAINST RELATED ENTITIES
AIL 10 67	08-11	NOTICE OF CANCEL TO CERTIFICATE HOLDERS

BUSINESSOWNERS FORMS AND ENDORSEMENTS

ABP 10 92.	10-21	MATCHING DESC AND DEPRECIATION OF LABOR
ABP DS 02	02-21	BUSINESSOWNERS POLICY DECLARATIONS
ABP DS 04	06-06	BOP OPTIONAL COVERAGES SCHED DEC.
AIL 10 92C	05-19	DATA BREACH, CYB EXT AND ID REST COV
BP 01 78	03-15	OREGON CHANGES
ABP 10 59	05-14	CONDOMINIUM ASSOCIATION-GOLD SERIES END
ABP 10 62	06-12	PREMIUM AUDIT ENDORSEMENT
ABP 10 66	05-14	AMENDMENT - PAVED SURFACES
ABP 10 71	05-15	WATER BACK-UP AND SUMP OVERFLOW
ABP 10 74	09-15	LIMITED HIRED AUTO & NON-OWNED AUTO LIAB
ABP 10 79	07-16	EXCL - UNMANNED AIRCRAFT - BUS LIAB COV
ABP 10 84	07-17	LEAD LIABILITY EXCLUSION
ABP 10 85	07-17	ASBESTOS EXCLUSION
AIL 10 04	08-13	DIRECTORS & OFFICERS LIABILITY COVERAGE
AIL 10 06	07-09	CHANGES IN POLICY - TWO OR MORE POLICIES
AIL 10 12	05-14	EQUIPMENT BREAKDOWN
AIL 10 21	06-06	DEFENSE EXPENSE AMENDMENT (D&O)
AIL 10 26	08-13	ADDITIONAL INSURED - MULTIPLE INTERESTS
AIL 1039	06-06	PROF LIAB POLLUTION AMENDATORY ENDT
BP 00 03	07-13	BUSINESSOWNERS COVERAGE FORM
BP 04 17	01-10	EMPLOYMENT - RELATED PRACTICES EXCLUSION
BP 04 39	07-02	ABUSE OR MOLESTATION EXCLUSION
BP 04 46	07-13	ORDINANCE OR LAW COVERAGE
BP 04 46	07-13	ORDINANCE OR LAW COVERAGE
BP 04 50	07-13	ADDL INSD-OWNERS LESSEES OR CONTRACTORS
BP 04 54	01-06	NEWLY ACQUIRED ORGANIZATION
BP 04 56	07-13	UTILITY SERVICES - DIRECT DAMAGE
BP 04 57	07-13	UTILITY SERVICES - TIME ELEMENT
BP 04 83	01-10	REMOVAL OF INS-TO-VALUE PROVISION
BP 05 15	12-20	DISCLOSURE PURSUANT/TERROR INS ACT
BP 05 23	01-15	CAP/LOSSES FROM CERTIFIED ACTS OF TERROR
BP 05 47	07-13	COMPUTER FRAUD AND FUNDS TRANSFER FRAUD
BP 05 77	01-06	FUNGI OR BACTERIA EXCLUSION (LIABILITY)
BP 05 98	07-13	AMENDMENT OF INSURED CONTRACT DEFINITION
BP 14 78	07-13	EXCL OF LOSS DUE TO BY-PRODS RENTAL PROP
BP 14 86	07-13	COMMUNICABLE DISEASE
BP 15 31C	09-19	CANNABIS PROP EXCL HEMP EXCEPTION
BP 15 33C	09-19	CANNABIS LIAB EXCL HEMP EXCEPTION
BP 15 60	02-21	CYBER INCIDENT EXCL
BP 17 01	07-13	CONDOMINIUM ASSOCIATION COVERAGE

FORM-SCHED (01/97)



COUNTRY Mutual Insurance Company
SCHEDULE OF POLICIES AND ENDORSEMENTS

Policy Number
 AN 2345678

Agent Name: [Name] Agency: [Name] License No: [Number] Issue Date: [Date]

COMMON POLICY FORMS AND ENDORSEMENTS

Form Code	Description	Form Code	Description
AE1	Auto Liability	AE1	Auto Liability
AE2	Auto Liability	AE2	Auto Liability
AE3	Auto Liability	AE3	Auto Liability
AE4	Auto Liability	AE4	Auto Liability
AE5	Auto Liability	AE5	Auto Liability
AE6	Auto Liability	AE6	Auto Liability
AE7	Auto Liability	AE7	Auto Liability
AE8	Auto Liability	AE8	Auto Liability
AE9	Auto Liability	AE9	Auto Liability
AE10	Auto Liability	AE10	Auto Liability

BUSINESSMEN'S FORMS AND ENDORSEMENTS

Form Code	Description	Form Code	Description
BE1	Businessmen's Form	BE1	Businessmen's Form
BE2	Businessmen's Form	BE2	Businessmen's Form
BE3	Businessmen's Form	BE3	Businessmen's Form
BE4	Businessmen's Form	BE4	Businessmen's Form
BE5	Businessmen's Form	BE5	Businessmen's Form
BE6	Businessmen's Form	BE6	Businessmen's Form
BE7	Businessmen's Form	BE7	Businessmen's Form
BE8	Businessmen's Form	BE8	Businessmen's Form
BE9	Businessmen's Form	BE9	Businessmen's Form
BE10	Businessmen's Form	BE10	Businessmen's Form
BE11	Businessmen's Form	BE11	Businessmen's Form
BE12	Businessmen's Form	BE12	Businessmen's Form
BE13	Businessmen's Form	BE13	Businessmen's Form
BE14	Businessmen's Form	BE14	Businessmen's Form
BE15	Businessmen's Form	BE15	Businessmen's Form
BE16	Businessmen's Form	BE16	Businessmen's Form
BE17	Businessmen's Form	BE17	Businessmen's Form
BE18	Businessmen's Form	BE18	Businessmen's Form
BE19	Businessmen's Form	BE19	Businessmen's Form
BE20	Businessmen's Form	BE20	Businessmen's Form
BE21	Businessmen's Form	BE21	Businessmen's Form
BE22	Businessmen's Form	BE22	Businessmen's Form
BE23	Businessmen's Form	BE23	Businessmen's Form
BE24	Businessmen's Form	BE24	Businessmen's Form
BE25	Businessmen's Form	BE25	Businessmen's Form
BE26	Businessmen's Form	BE26	Businessmen's Form
BE27	Businessmen's Form	BE27	Businessmen's Form
BE28	Businessmen's Form	BE28	Businessmen's Form
BE29	Businessmen's Form	BE29	Businessmen's Form
BE30	Businessmen's Form	BE30	Businessmen's Form



DEFENSE WITHIN LIMITS IMPORTANT INFORMATION

If you have purchased liability coverage for any of the following insurance coverages or any of those listed in the schedule below, damages and defense expenses are payable within the limits of insurance. Please read your policy carefully.

Directors and Officers Liability Coverage for Churches Coverage Form
Directors and Officers Liability Coverage for Community Associations Coverage Form
Employment Related-Practices Liability Coverage
Sexual Abuse or Molestation Liability Coverage Form

Schedule

DATA BREACH & EXPENSE LAIBILITY COV



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DEFENSE WITHIN LIMITS IMPORTANT INFORMATION

If you have questions about coverage for any of the following services, please contact your agent or broker. For more information, please visit our website at www.aflac.com. Please read your policy carefully.

Question and Answer Library Coverage for Chronic Disease Plan
Question and Answer Library Coverage for Chronic Disease Plan
Employment Assistance Library Coverage
Short-Term Disability Library Coverage Plan

2011/01/11

DATA IMAGE & REPORT CALIBRITY DIV

Information is provided for informational purposes only. It is not intended to be used for any other purpose.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT – MATCHING AND ACTUAL CASH VALUE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Section I – Property is amended as follows:

A. The following is added to 5. Loss Payment:

1. We will not pay to repair or replace undamaged material due to mismatch between undamaged material and new material used to repair or replace damaged material.

B. The following is added to any provision which uses the term "actual cash value":

1. "Actual cash value" means:

a. For buildings or structures:

(1) The cost actually and necessarily incurred to repair or replace the damaged property using standard new construction materials of like kind and quality and standard new construction techniques, less depreciation;

b. For property other than buildings and structures:

(1) The cost to repair or replace the damaged property using materials of like kind and quality, less depreciation.

In determining depreciation "we" will consider wear and tear, deterioration, obsolescence, age, physical condition and reduced market value of the property. The rate of depreciation shall be the same for both labor and materials. "Actual cash value" does not include increased costs due to applicable building codes, laws or ordinances.

Nothing contained herein varies, alters, or extends any provision of your policy except as provided in this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT - MATCHING AND ACTUAL CASH VALUE

The endorsement modifies business operations coverage as follows:

BUSINESSOWNERS COVERAGE FORM

Section I - Property is amended as follows:

A. The following is added to A. Cash Value:

1. Where the actual cash value of property damaged is less than the amount of the actual cash value of the property as shown on the schedule, the actual cash value shall be the actual cash value of the property as shown on the schedule.

B. The following is added to any definition which uses the term "actual cash value":

1. Actual cash value means the fair market value of the property as shown on the schedule.

(2) The actual cash value and amount actually received in respect to damaged property shall be determined by comparing the actual cash value of the property as shown on the schedule with the actual cash value of the property as shown on the schedule.

A. The actual cash value of the property as shown on the schedule shall be the actual cash value of the property as shown on the schedule.

(3) The actual cash value of the property as shown on the schedule shall be the actual cash value of the property as shown on the schedule.

In determining "actual cash value," the actual cash value of the property as shown on the schedule shall be the actual cash value of the property as shown on the schedule. "Actual cash value" does not include the amount of the actual cash value of the property as shown on the schedule.

Nothing contained herein shall be construed to limit or restrict any benefit or amount payable under the policy.

DATA BREACH, CYBER EXTORTION, NETWORK SECURITY LIABILITY, AND IDENTITY RESTORATION COVERAGE

COVERAGE FOR DEFENSE IS PROVIDED WITHIN THE ANNUAL AGGREGATE LIMIT OF LIABILITY. PAYMENT OF DEFENSE EXPENSES WILL REDUCE THE LIMIT OF INSURANCE.

This coverage form modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

DATA BREACH COVERAGE	
Annual Aggregate Limit	\$ 100,000
Data Breach Response Expense (mandatory)	
<input checked="" type="checkbox"/> Data Breach Liability (optional)	
Deductible	\$ 1,000 Per data breach
Data Breach Response Expense Sub-limits	
Forensic Investigation Expense	10% of the Annual Aggregate Limit
Legal and Regulatory Expense	20% of the Annual Aggregate Limit; subject to a maximum of \$20,000
Public Relations Expense	10% of the Annual Aggregate Limit
Named Malicious Code	10% of the Annual Aggregate Limit; subject to a maximum of \$10,000
Data Breach Liability Sub-limits (if optional coverage selected)	
Named Malicious Code	10% of the Annual Aggregate Limit; subject to a maximum of \$10,000
NETWORK SECURITY LIABILITY (OPTIONAL)	
<input type="checkbox"/> Network Security Liability	
Annual Aggregate Limit	\$
Deductible	\$ Per network security wrongful act
CYBER EXTORTION COVERAGE (OPTIONAL)	
<input checked="" type="checkbox"/> Cyber Extortion Coverage	
Annual Aggregate Limit	\$ 10,000
Deductible	\$ 1,000 Per cyber extortion threat
IDENTITY RESTORATION COVERAGE (OPTIONAL)	
<input checked="" type="checkbox"/> Identity Restoration Coverage	
Annual Aggregate Limit	\$ 25,000
Deductible	No deductible applies
Sub-limits	
Lost Wages and Professional Care Provider Costs	\$ 2,500
Optional coverages in this form apply only when a limit is shown and an "X" is indicated in the box above. Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

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Various provisions in this form restrict coverage. Please read the entire form carefully and in its entirety to determine rights, duties, and what is or is not covered.

The terms and provisions of both the Common Policy Conditions and the terrorism endorsement, if applicable, of the policy to which this form is attached are incorporated herein and shall apply to the insurance provided under this form. This includes any endorsement amending such terms unless stated otherwise in this form. All other provisions of the policy to which this form is attached shall not apply to this form.

Throughout this form, 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 insurance.

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

A. SECTION I - DATA BREACH RESPONSE EXPENSE AND DATA BREACH RESPONSE SERVICES

1. Data Breach Response Expense and Data Breach Response Services apply only if:
 - a. There is a "data breach";
 - b. The "data breach" is first "discovered" by you during the policy period;
 - c. The "data breach" takes place in the "coverage territory"; and
 - d. The "data breach" is reported to us as soon as possible but not later than thirty (30) days after first "discovery" of the "data breach".

2. Data Breach Response Expense

If the coverage terms listed in **A.1.** above are met, we will reimburse you for the following expenses which result directly from a "data breach":

a. Forensic Investigation Expense

The reasonable and necessary costs you incur for professional information technology and security forensic investigations into the technology-related aspects of the "data breach" to determine the nature, cause, and scope of the "data breach".

Forensic investigation expense does not include:

- (1) The costs to repair or remediate the underlying problem that caused the "data breach"; or

- (2) Costs to analyze, research, or determine:

- (a) The nature or extent of damage or loss to data other than "personally identifiable information", "protected health information", or "personally sensitive information";
- (b) Compliance with Payment Card Industry Data Security Standards (PCI DSS) or other industry standards; or
- (c) System, physical, or procedural security vulnerabilities.

If a forensic investigation determines there was no "data breach" to which this coverage applies, we will only reimburse you for forensic investigation expenses incurred by you up to the point such determination was made.

b. Legal and Regulatory Expense

The reasonable and necessary costs you incur to consult with a licensed attorney approved by us to:

- (1) Analyze applicable "privacy regulations";
- (2) Develop or review any notification to comply with "privacy regulations"; and
- (3) Represent you in a "regulatory proceeding" including any fines or penalties imposed, to the extent such fines and penalties are insurable by law and, for which you have provided notification to comply with "privacy regulations".

If a forensic investigation determines there was no "data breach" to which this coverage applies, we will only reimburse you for legal and regulatory expenses incurred by you up to the point such determination was made.

c. Notification Expense

The reasonable and necessary costs you incur for the preparation, printing, mailing, postage, delivery, and electronic transmission of any notification in order to comply with "privacy regulations".

d. Impacted Individual Services Expense

The reasonable and necessary costs you incur to provide the following services through our designated service provider as described in **Section IX - Conditions**,

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Paragraph 10. **Service Provider** for "impacted individuals":

(1) Help Line

A toll-free telephone number for "impacted individuals" to ask questions and address issues or concerns regarding the "data breach";

(2) Personal Fraud Assistance

The services of a personal fraud specialist who will assist "impacted individuals" with the following when their Social Security number has been exposed due to a "data breach":

- (a) Obtaining a copy of the "impacted individual's" credit report;
- (b) Reviewing "impacted individual's" credit reports for possible fraudulent activity;
- (c) Placing a "fraud alert";
- (d) Facilitating placement of a "security freeze"; or
- (e) Other personal fraud assistance upon approval by us.

(3) Proactive Data Breach Monitoring Services

The following services for "impacted individuals" whose Social Security number may have been exposed:

- (a) Upon request, enrollment in up to two years (730 days) of:
 - (i) Credit monitoring including electronic credit reports and electronic alerts; or
 - (ii) Other monitoring services upon prior approval by us.

(4) Identity Theft Monitoring Services

The following services for "impacted individuals" who are victims of "identity theft":

- (a) Upon request, enrollment in one year (365 days) of:
 - (i) Triple bureau credit monitoring including electronic credit reports and electronic alerts;
 - (ii) A Social Security Trace inclusive of one initial report

showing any "personally identifiable information" associated with the "insured's" Social Security number, including without limitation, names, aliases and address history in order to determine if an unauthorized source has already used the "insured's" Social Security number under another name or identity. Following the initial report, the "insured" will receive an alert if any information associated with the insured's Social Security number is changed or updated;

- (iii) Cyber monitoring of chat rooms and websites for online criminal or fraudulent activity including but not limited to, the actual selling of the "insured's" "personally identifiable information", "protected health information", or "personally sensitive information" by identity theft brokers to criminals; or

- (b) Other monitoring services upon prior approval by us.

e. Identity Theft Remediation Services Expense

The following services for "impacted individuals" who are victims of "identity theft":

- (1) Creating fraud victim affidavits;
- (2) Assisting in making any phone calls and preparing all documents needed for credit grantor notification and fraud information removal purposes;
- (3) Assisting in the filing of a law enforcement report;
- (4) Creating comprehensive case files for insurance and law enforcement;
- (5) Notifying any relevant government and collection agencies; and
- (6) Other identity theft remediation services upon approval by us.

f. Public Relations Expense

The reasonable and necessary costs you incur to protect or restore your reputation

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from "negative publicity" which results directly from a "data breach" and for which you have provided notification pursuant to **A.2.c.** above:

- (1) Public relations firm fees and expenses;
- (2) Crisis management consultant expenses; and
- (3) Other reasonable public relations expenses upon approval by us.

3. Data Breach Response Services

If the coverage terms listed in **A.1.** above are met, the following services will be provided upon request through our designated service provider as described in **Section IX – Conditions, Paragraph 10. Service Provider:**

a. Data Breach Pre-Notification Consulting Services

Consulting services to assist you upon "discovery" of a "data breach" for:

- (1) Evaluating the "data breach"; and
- (2) Providing guidance to remediate the "data breach".

B. SECTION II – DATA BREACH LIABILITY

Data Breach Liability is added when coverage is indicated in the Schedule:

1. We will pay all sums for damages the "insured" becomes legally obligated to pay as a direct result of any "data breach" which was first "discovered" by you during the policy period. We have the right and duty to defend an "insured" against a "claim" or "suit" made against an "insured" for damages resulting from a "data breach" to which this insurance applies. We will:

- a. Pay "defense expenses" as part of our right and duty to defend; and
- b. Retain the right to select counsel.

We have no duty to defend the "insured" against any "claim" or "suit" seeking damages from a "data breach" to which this insurance does not apply. We may, at our discretion, investigate any "data breach" and settle any "claim" or "suit".

The amount we will pay is limited as described in **Section VI – Limits of Insurance.**

Our duty to defend ends when we have exhausted the applicable limit of insurance for:

- a. "Defense expenses";

- b. Payment of settlements or judgments; or
- c. Any combination of "defense expenses" and payment of settlements or judgments.

2. This coverage applies only if:

- a. The "claim" is made or "suit" is brought by or on behalf of one or more "impacted individuals" in the "coverage territory";
- b. The "claim" or "suit" arises from a "data breach" for which an "impacted individual" was provided notification to comply with "privacy regulations";
- c. Notice of a "claim" or "suit" is received by the "insured" within two (2) years from the date the "impacted individuals" were first notified of a "data breach" pursuant to Data Breach Response Expense provided under this form; and
- d. The "claim" or "suit" is immediately reported to us after it is first received by you.

C. SECTION III – NETWORK SECURITY LIABILITY

Network Security Liability is added when coverage is indicated in the Schedule:

1. We will pay all sums for damages the "insured" becomes legally obligated to pay as a direct result of any "network security wrongful act" to which this insurance applies. We have the right and duty to defend an "insured" against a "claim" or "suit" made against an "insured" for damages resulting from a "network security wrongful act" to which this insurance applies.

We will:

- a. Pay "defense expenses" as part of our right and duty to defend; and
- b. Retain the right to select counsel.

We have no duty to defend the "insured" against any "claim" or "suit" seeking damages from a "network security wrongful act" to which this insurance does not apply. We may, at our discretion, investigate any "network security wrongful act" and settle any "claim" or "suit".

The amount we will pay is limited as described in **Section VI – Limits of Insurance.**

Our duty to defend ends when we have exhausted the applicable limit of insurance for:

- a. "Defense expenses";
- b. Payment of settlements or judgments; or

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- c. Any combination of "defense expenses" and payment of settlements or judgments.
- 2. This coverage applies only if:
 - a. The "network security wrongful act" took place in the "coverage territory" during the policy period;
 - b. You first receive notice of a "claim" or "suit" during the policy period; and
 - c. The "claim" or "suit" is immediately reported to us after it is first received by you.

D. SECTION IV – CYBER EXTORTION COVERAGE

Cyber Extortion Coverage is added when coverage is indicated in the Schedule and a limit is shown:

- 1. This coverage only applies if:
 - a. There is a "cyber extortion threat";
 - b. The "cyber extortion threat" is first made against you during the policy period;
 - c. The "cyber extortion threat" takes place in the "coverage territory"; and
 - d. The "cyber extortion threat" is reported to us as soon as possible, but not later than thirty (30) days after the "cyber extortion threat" was first made against you.

2. Cyber Extortion Expenses

If the coverage terms listed in D.1. above are met, we will reimburse you for the following expenses which result directly from a "cyber extortion threat":

- a. The reasonable and necessary costs you incur to hire a security firm or forensic investigator, with our prior approval, to investigate the credibility and severity of a "cyber extortion threat"; and
- b. Payment of money or "cryptocurrency" made by you, with our prior approval, directly to the party responsible for a "cyber extortion threat" for the sole purpose of eliminating or terminating the "cyber extortion threat".

Reimbursement for any payment shall be determined for:

- (1) Money at the face value in U.S. dollars on the date when payment was made; or

- (2) "Cryptocurrency" in the U.S. dollar equivalent determined by the rate of exchange published in *The Wall Street Journal* on the date when payment was made.

If a forensic investigation determines the "cyber extortion threat" is not credible, we will only reimburse you for your forensic investigation expenses incurred by you up to the point such determination was made.

3. Cyber Extortion Services

If the coverage terms listed in D.1. above are met, the following services will be provided through our designated service provider as described in **Section IX – Conditions, Paragraph 10. Service Provider:**

One-hour phone support services to:

- a. Evaluate and assess a "cyber extortion threat"; and
- b. Provide guidance and recommendations on an approach for responding to a "cyber extortion threat".

E. SECTION V – IDENTITY RESTORATION COVERAGE

Identity Restoration Coverage is added when coverage is indicated in the Schedule and a limit is shown:

- 1. This coverage only applies if:
 - a. There is an "identity theft";
 - b. The "identity theft" is first "discovered" by you during the policy period;
 - c. The "identity theft" takes place in the "coverage territory"; and
 - d. The "identity theft" is reported to us as soon as possible, but not later than sixty (60) days after the "identity theft" is first "discovered" by an "insured".

2. Identity Restoration Expenses

If the coverage terms listed in E.1. above are met, we will reimburse you for the following reasonable and necessary expenses incurred by an "insured" as a direct result of an "identity theft":

- a. Costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or agencies;

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- b. Costs of certified mail to law enforcement agencies, credit agencies, financial institutions, or similar credit grantors;
- c. Loan application fees to reapply when the original application is rejected solely because the lender received incorrect credit information;
- d. Fees and expenses for an attorney approved by us to provide the following:
 - (1) Defense of a civil "claim" or "suit" brought against an "insured";
 - (2) Removal of any civil judgments wrongly entered against an "insured";
 - (3) Legal assistance for an "insured" at an audit or hearing by a governmental agency;
 - (4) Legal assistance to challenge the accuracy or completeness of an "insured's" consumer credit report;
 - (5) Defense of any criminal charges brought against an "insured" which arise from the actions of a third party using the personal identity of an "insured".
- e. The actual lost wages of an "insured" as a direct result of time taken off work that is reasonable and necessary to perform tasks to restore the "insured's" identity. Time away from work includes partial or whole work days. However, time away from work shall not include self-employment, sick days, or tasks which could have reasonably been performed during non-working hours
 Actual lost wages does not include the lost wages of any "insured" who:
 - (1) Is receiving or qualifies to receive unemployment compensation, workers' compensation, or disability benefits; or
 - (2) Is on medical, personal, or family leave; Immediately prior to an "identity theft".
- f. Actual costs incurred by an "insured" to provide professional care to supervise the "insured's" children, infirm or elderly relatives or dependents to take reasonable and necessary time away from such supervision in order to perform tasks to restore the "insured's" identity. However, costs for such services provided by a relative of the "insured" are not covered.

3. Identity Restoration Services

If the coverage terms listed in **E.1.** above are met, the following services will be provided upon request to an "insured" through our designated service provider as described in **Section IX – Conditions, Paragraph 10. Service Provider:**

a. Help Line

A toll-free telephone number for an "insured" to ask questions and address issues or concerns regarding an "identity theft".

b. Personal Fraud Assistance

Upon approval by our designated service provider, the services of a personal fraud specialist who will assist an "insured" with the following when their Social Security number has been compromised due to an "identity theft":

- (1) Obtaining a copy of the "insured's" credit report;
- (2) Reviewing "insured's" credit reports for possible fraudulent activity;
- (3) Placing a "fraud alert";
- (4) Facilitating placement of a "security freeze"; or
- (5) Other personal fraud assistance upon approval by us.

c. Identity Theft Remediation Services

The following services for "insureds" who are victims of "identity theft":

- (1) Creating fraud victim affidavits;
- (2) Assisting in making any phone calls and preparing all documents needed for credit grantor notification and fraud information removal purposes;
- (3) Assisting in the filing of a law enforcement report;
- (4) Creating comprehensive case files for insurance and law enforcement;
- (5) Notifying any relevant government and collection agencies; and
- (6) Other identity theft remediation services when warranted and upon prior approval by us.

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d. Identity Theft Monitoring Services

The following services for "insureds" who are victims of "identity theft":

(1) Upon request, enrollment in one year (365 days) of:

- (a) Triple bureau credit monitoring including electronic credit reports and electronic alerts;
- (b) A Social Security Trace inclusive of one initial report showing any "personally identifiable information" associated with the "insured's" Social Security number, including without limitation, names, aliases and address history in order to determine if an unauthorized source has already used the "insured's" Social Security number under another name or identity. Following the initial report, the "insured" will receive an alert if any information associated with the insured's Social Security number is changed or updated;
- (c) Cyber monitoring of chat rooms and websites for online criminal or fraudulent activity including but not limited to, the actual selling of the "insured's" "personally identifiable information", "protected health information", or "personally sensitive information" by identity theft brokers to criminals; or
- (d) Other monitoring services upon prior approval by us.

F. SECTION VI – LIMITS OF INSURANCE

1. Annual Aggregate Limit of Insurance

The Annual Aggregate Limits shown in the Schedule apply separately to each consecutive annual policy period and to any remaining policy period of less than twelve (12) months, starting with the beginning of the policy period shown in the Declarations. If such policy period is extended for an additional period of less than 12 months, the additional period will be deemed part of the last preceding period for purposes of determining the Annual Aggregate Limit of Insurance.

The most we will pay in any one policy period for:

- a. All costs and expenses covered under Data Breach Response Expense and all damages and "defense expenses" covered under Data Breach Liability is the Data Breach Coverage Annual Aggregate Limit;
- b. All damages and "defense expenses" covered under Network Security Liability is the Network Security Liability Coverage Annual Aggregate Limit.
- c. All costs and expenses covered under Cyber Extortion Coverage is the Cyber Extortion Coverage Annual Aggregate Limit; and
- d. All costs and expenses covered under Identity Restoration Coverage is the Identity Restoration Coverage Annual Aggregate Limit.

Each Annual Aggregate Limit shown in the Schedule for **F.1.a, b. c. and d.** above is the most we will pay regardless of the number of:

- a. "Insureds";
- b. "Impacted individuals";
- c. Persons or organizations making "claims" or bringing "suits";
- d. "Claims" made or "suits" brought;
- e. "Data breaches";
- f. "Cyber extortion threats";
- g. "Identity thefts"; or
- h. "Regulatory proceedings".

2. Data Breach Response Expense Sub-Limits

The following Data Breach Response Expense sub-limits are the most we will pay in any one "data breach" and are a part of, and included within, the Data Breach Coverage Annual Aggregate Limit shown in the Schedule, thereby reducing that limit:

- a. **Forensic Investigation Expense**
The most we will pay for all costs under Forensic Investigation Expense resulting from each "data breach" is 10% of the Data Breach Coverage Annual Aggregate Limit shown in the Schedule.
- b. **Legal and Regulatory Research Expense**
The most we will pay for all costs under Legal and Regulatory Expense resulting from each "data breach" is 20% of the Data Breach Coverage Annual Aggregate Limit

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shown in the Schedule or \$20,000; whichever is less.

c. Public Relations Expense

The most we will pay for all costs under Public Relations Expense arising out of each "data breach" is 10% of the Data Breach Coverage Annual Aggregate Limit shown in the Schedule.

3. Data Breach Named Malicious Code Sub-Limit

The most we will pay for all costs and expenses covered under Data Breach Response Expense and all damages and "defense expenses" covered under Data Breach Liability for a "data breach" arising from "named malicious code" is 10% of the Data Breach Coverage Annual Aggregate Limit shown in the Schedule or \$10,000; whichever is less. This sub-limit is a part of, and included within the Data Breach Coverage Annual Aggregate Limit shown in the Schedule, thereby reducing that limit.

4. Identity Restoration Coverage Sub-Limits

The most we will pay for the sum of all actual lost wages and professional care provider costs under Identity Restoration Coverage for "identity theft expenses" arising out of the "identity theft" of an "insured" is \$2,500. This sub-limit is a part of, and included within, the Identity Restoration Coverage Annual Aggregate Limit shown in the Schedule, thereby reducing that limit.

5. Application of Limits

- a. "Defense expenses" are a part of, and included within, the Data Breach Coverage Annual Aggregate Limit and the Network Security Liability Coverage Annual Aggregate Limit shown in the Schedule, thereby reducing that limit.
- b. Data Breach Response Services, Cyber Extortion Services, and Identity Restoration Services provided by our designated service provider as described in **Section IX – Conditions, Paragraph 10. Service Provider** are not subject to and do not reduce the Annual Aggregate Limits of insurance available under this form.
- c. The amount we will pay for coverage under this form is a separate amount of insurance and does not reduce the limits of the policy to which this form is attached.

G. SECTION VII - DEDUCTIBLE

- 1. We will reimburse you for all costs and expenses incurred and, if applicable, pay damages and "defense expenses" that exceed the:
 - a. Data Breach Coverage Deductible shown in the Schedule for each "data breach" for which coverage applies. The deductible will be deducted from the amount of each covered "data breach".
 - b. Network Security Liability Coverage Deductible shown in the Schedule for each "claim" or "suit" for which coverage applies. The deductible will be deducted from the amount of each covered "network security wrongful act".
 - c. Cyber Extortion Coverage Deductible shown in the Schedule for each "cyber extortion threat" for which coverage applies. The deductible will be deducted from the amount of each covered "cyber extortion threat".
- 2. No deductible applies to Identity Restoration Coverage or to any services provided by our designated service provider as described in **Section IX – Conditions, Paragraph 10. Service Provider**.
- 3. Neither deductible increases the Limit of Insurance. Under no circumstances will we pay more than the applicable Annual Aggregate Limit of insurance shown in the Schedule or the applicable coverage sub-limit as specified in **F.1., F.2., F.3., and F.4.** above. We may, at our option, pay any or part of your deductible. You are obligated to promptly reimburse us for any deductible amount paid by us.

H. SECTION VIII - EXCLUSIONS

1. Exclusions Applicable To All Coverages

- a. This insurance does not apply to:
 - (1) **Business Identity**
The fraudulent use of a business name, d/b/a, business accounts, business entity, business association, or any action identifying a business.
 - (2) **Income and Expense**
 - (a) Any loss of income including any potential income not realized except as provided for under Identity Restoration Coverage; or

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(b) Economic costs and expenses that are not specifically covered under this form.

(3) Prior Known Loss, Claim or Suit

Any loss, "claim" or "suit" known prior to the inception of this form.

b. This insurance does not apply to any loss arising out of or resulting from:

(1) Criminal, Dishonest, Fraudulent, Malicious, and Intentional Acts

Any criminal, dishonest, fraudulent, or malicious acts or any intentional or knowing violation of the law by an "insured" whether acting alone or in collusion with others.

For the purposes of Data Breach Response Expense, Data Breach Liability and Network Security Liability:

(a) This exclusion does not apply to dishonest, fraudulent, or malicious acts committed by an "employee" and for which you have no knowledge.

(b) We will:

(i) Defend a "claim" made or a "suit" brought against an "insured" alleging such acts or violations until final adjudication is rendered against that "insured". Final adjudication rendered against one "insured" shall not be imputed to any other "insured"; and

(ii) Not provide indemnification for any "claim" made or "suit" brought to which any "insured" pleads guilty or no contest, and we will not provide defense from the time we become aware that any "insured" intends to so plead.

(2) Nuclear Hazard

Nuclear hazard including release of nuclear radiation, nuclear reaction, and nuclear contamination.

(3) Prior Known Deficiencies

Your knowledge of deficiencies in your "computer system", security processes,

or the physical security of your premises prior to the policy period.

(4) Reckless Disregard

The intentional or reckless disregard for:

(a) The handling, treatment, transfer, and security of "personally identifiable information", "protected health information", or "personally sensitive information" in the possession, control, or custody of you or a "third-party service contractor";

(b) The security of your "computer system"; or

(c) The physical security of your premises.

(5) Threats, Extortion, Blackmail

A threat, extortion, or blackmail, including but not limited to, ransom payments and private security assistance except as provided for under Cyber Extortion Coverage.

(6) Violation of Rights

An act by an "insured" or at the direction of an "insured" with the knowledge such act would violate the rights of another.

(7) War

(a) Declaration of war, undeclared war, or civil war;

(b) Warlike actions 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.

2. Exclusions Applicable Only To Data Breach Response Expense and Data Breach Liability

a. This insurance does not apply to:

(1) Data

Data in electronic or non-electronic form that is not "personally identifiable information", "protected health

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information", or "personally sensitive information".

(2) PCI Compliance

Any "claim", "suit", "defense expenses", assessment, fine, or penalty associated with Payment Card Industry Data Security Standards (PCI DSS).

b. This insurance does not apply to any loss arising out of or resulting from:

(1) Aggregation or Sale of Data

The purposeful aggregation or sale of data by the "insured", or on the "insured's" behalf, to a third party.

(2) Governmental or Public Action

Seizure, nationalization, confiscation, or destruction of property by order of any governmental or public authority.

(3) Unlawful Collection, Retention, Disclosure, Acquisition, and Use

(a) The unlawful collection, retention, disclosure, acquisition, and use of "personally identifiable information", "protected health information", or "personally sensitive information"; or

(b) The failure of the "insured" to comply with a legal requirement to provide:

(i) Individuals with the ability to assent or withhold assent; or

(ii) Notice of the collection, retention, acquisition, disclosure, and use of "personally identifiable information", "protected health information", or "personally sensitive information".

3. Exclusions Applicable Only To Data Breach Liability and Network Security Liability

a. This insurance does not apply to:

(1) Bodily Injury, Property Damage, and Personal and Advertising Injury

"Bodily injury", including emotional distress, mental injury, or mental anguish; "property damage"; "personal and advertising injury".

(2) Damages

Punitive or exemplary damages, treble

damages, or the multiplied portion of multiplied damages.

(3) Non-Monetary Claim

Costs to comply with orders granting non-monetary or injunctive relief.

b. This insurance does not apply to any "claim" or "suit":

(1) Contractual Liability

Arising out of or resulting from legal obligations of an "insured" which arise from the assumption of liability in a contract or agreement, whether written or oral. This includes, but is not limited to, agreements related to the processing and use of payment cards.

(2) Discrimination or Harassment

Based on any actual, alleged, or threatened harassment or discrimination including but not limited to, disability, race, religion or creed, age, gender, national origin or ancestry, pregnancy, citizenship, veteran status, sexual orientation or genetic information.

(3) Insured v. Insured

Made or brought against you by any other "insured", partner, member, officer, or by a subsidiary owned or entity owned in whole or in part by you. This exclusion does not apply to a "claim" made or "suit" brought by your employee.

(4) Professional Liability

Arising out of or resulting from:

(a) The rendering or failure to render any professional service; or

(b) An act, error, omission, or incident committed by your directors or officers.

(5) Third-Party

Arising out of or resulting from any "data breach" when "personally identifiable information", "protected health information", or "personally sensitive information" is in the possession, custody, or control of a "third-party service contractor".

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4. Exclusions Applicable Only To Data Breach Response Expense, Data Breach Liability, and Network Security Liability

a. This insurance does not apply to:

(1) Charges, Penalties, Fines, and Fees

Any charges, assessments, penalties, fines, fees, or taxes imposed by financial institutions, state or federal regulators, courts of law, or any other entity except to the extent provided by Data Breach Response Expense.

(2) Deficiencies

Any expense to:

(a) Investigate any deficiency, except as specifically covered under this form; or

(b) Remedy any deficiency.

This includes but is not limited to any deficiency in your "computer systems", networks, firewalls, software, employee management, vendor management, internal systems, procedures, physical security, or security processes.

5. Exclusions Applicable Only To Network Security Liability

a. This insurance does not apply to:

(1) Prior Wrongful Act

Any "network security wrongful act" that took place prior to the policy period.

b. This insurance does not apply to any "claim" or "suit":

(1) Data Breach

Arising out of or resulting from any "data breach".

I. SECTION IX – CONDITIONS

With respect to coverage provided by this form, the following Conditions apply in addition to or supersede the Common Policy Conditions:

1. Bankruptcy

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

2. Confidentiality

You must take all reasonable actions to avoid divulging the existence of coverage provided by

this form.

3. Cooperation

You agree to disclose all circumstances surrounding a "data breach", "cyber extortion threat", "identity theft", "regulatory proceeding", "claim", or "suit" to us, state or federal regulators, law enforcement, and our designated service provider.

4. Data Breach Pre-Notification Consultation

You agree to consult with us and our designated service provider prior to issuing any notification of a "data breach" for which coverage is provided under this form.

5. Due Care

You agree to use due care to prevent and mitigate costs covered under this form. This includes, but is not limited to:

a. Adhering to acceptable industry, privacy, legal, and regulatory standards for the protection of "personally identifiable information", "protected health information", or "personally sensitive information" from a "data breach";

b. Implementing and preserving appropriate security for your physical premises; "computer systems", data, hard copy files, and internet security;

c. Updating and preserving computer data backups at appropriate intervals;

d. Protecting transactions such as processing debit card, credit card, and check payments, including but not limited to, encryption of data; and

e. Appropriately disposing of all files and equipment storing data.

6. Legal Action Against Us

Under Data Breach Liability, no person or organization has a right:

a. To bring us into or join us as a party in a "suit" seeking damages; or

b. To sue us unless there has been full compliance with all of the terms under this insurance.

A person or organization may sue us to recover on an agreed settlement; but we will not be liable for damages or "defense expenses" that are not covered by this form or that are in

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excess of the applicable limit. An agreed settlement means a settlement and release of liability signed by us, the "insured", and the claimant or the claimant's legal representative.

7. No Benefit to Subcontractor, Agent, or Bailee

No person or organization, other than you, that has custody of "personally identifiable information", "protected health information", or "personally sensitive information" shall benefit from the coverage provided in this form.

8. Other Insurance

If other valid and collectible insurance is available to the "insured" for a loss we cover, our obligations are limited as follows:

a. Primary Insurance

This insurance is primary. The amount of our liability is not decreased unless any of the other insurance is also primary. If the other insurance is also primary, we will share in the loss by the method described in Paragraph b. Method of Sharing.

b. Method of Sharing

If the other insurance provides for contribution by equal shares, we will pay equal amounts, along with the other insurers, until each insurer has paid its applicable limit or the full amount of the loss is paid, whichever comes first.

If any of the other insurance does not provide for contribution by equal shares, we will contribute by limits. This means that each insurer's share is based on the ratio of its applicable limit to the total applicable limits of all insurers.

9. Separation of Insureds

Except with respect to the applicable limits of insurance, and any rights or duties specifically assigned 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 any "claim" is made or "suit" is brought.

10. Service Provider

- a. We will only pay for services provided under Impacted Individual Services Expense,

Identity Theft Remediation Services Expense, Data Breach Response Services, Cyber Extortion Services, and Identity Restoration Services provided through our designated service provider.

- b. You will have a direct relationship with the designated service provider paid for in whole or in part under this form. The designated service provider works for you.
- c. Any services provided by the designated service provider does not represent or constitute legal advice or counsel from us.

11. Services

- a. We cannot guarantee any review, notice, or services provided through our designated service provider:

- (1) Will solve or end any problems associated with a "data breach", "cyber extortion threat", or "identity theft"; or
- (2) Will prevent or eliminate any future "data breach", "cyber extortion threat", or "identity theft".

- b. All services provided through our designated service provider may:

- (1) Vary based on individual circumstances and location of "impacted individuals" and "insureds" due to adherence to local statutes or rules; and
- (2) Not apply or be available to all "impacted individuals" or "insureds". This may be due to the non-existence of credit records, SSN, or Canadian Social Insurance number or location of the "impacted individual" or "insured".

- c. The effectiveness of services provided under this form depends on your cooperation and assistance.

12. 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 form, those rights are transferred to us. The "insured" must do everything necessary to secure our rights and must do nothing after a loss, "claim", or "suit" to impair them. At our request, the "insured" will bring "suit" or transfer those rights to us and help us enforce them.

13. Your Duties In The Event Of A Loss, Claim, or Suit

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After a situation that results in, or may result in, a loss covered under this form, you must:

- a. Notify the police if a law may have been broken;
- b. Immediately upon "discovery" of the "data breach", "cyber extortion threat", or "identity theft", record the details;
- c. Immediately send us copies of any demands, notices, summonses, or legal documents received regarding a "claim", "suit", or "regulatory proceeding";
- d. Make reasonable efforts to secure and protect "personally identifiable information", "protected health information", and "personally sensitive information" that is in your possession, custody, or control from further loss;
- e. Cooperate with us in the investigation or settlement of any "claim" or defense against any "suit";
- f. Authorize us to obtain records and information as often as may be reasonably required;
- g. Send us upon request within sixty (60) days receipts, bills or other records that support your expenses incurred;
- h. At our request, assist us in the enforcement of any right against persons or organizations that may be liable to you for coverage provided under this form;
- i. Take action to protect your rights and our rights with regard to the coverage provided by this form without prejudice; and
- j. You may not, except at your own expense, voluntarily make a payment, assume any obligation, or incur any expenses without our prior written consent.

J. SECTION X – EXTENDED DISCOVERY PERIOD

We will extend the "discovery" period for a "data breach" or "identity theft" first "discovered" by you for a period of thirty (30) days from the date Data Breach Coverage or Identity Restoration Coverage is terminated, providing such coverage is afforded under this form. However, the extended period to "discover" a "data breach" or "identity theft":

1. Will immediately terminate upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part Data Breach Coverage or

Identity Restoration Coverage afforded by this form, whether or not such other insurance provides coverage for a "data breach" or "identity theft" which occurs prior to its effective date; and

2. Does not extend the policy period, reinstate coverage, change the scope of coverage provided, or increase the Limits under this form.

K. SECTION XI: DEFINITIONS

1. "Advertisement" means a notice to the general public or a specific segment of the market that is published or broadcast about your goods, products, or services, for the purpose of attracting supporters, or customers.
2. "Bodily injury" means bodily harm, sickness, disease, mental anguish, mental injury, and death. "Bodily injury" includes required care and loss of services.
3. "Claim" means a written demand for damages against an "insured".
4. "Computer system" means electronic, wireless, web, or similar systems, including all computer hardware, software, components (including mobile devices), and electronic data used to process data or information in an analog, digital, electronic, or wireless format that is owned, leased, operated, and controlled by you. "Computer system" does not include any "computer system" controlled, owned, or operated by a third-party service provider.
5. "Coverage territory" means the United States of America (including its territories and possessions), Puerto Rico, or Canada.
6. "Cryptocurrency" means a decentralized digital currency that utilizes blockchain ledgers to record and validate transactions.
7. "Cyber extortion threat" means a credible threat or series of credible interrelated threats, which demand payment of money or "cryptocurrency" from you:
 - a. To circumvent a threat to:
 - (1) Introduce "malicious code" into your "computer system";
 - (2) Gain "unauthorized access" or "unauthorized use" of your "computer system";
 - (3) Disable, restrict, hinder, or deny access to your "computer system" including but not limited to a "denial of service attack";

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- (4) Destroy, damage, alter, or corrupt your "computer system" or data; or
- (5) Steal, disseminate, divulge, publish, destroy, utilize, or release "personally identifiable information", "protected health information", or "personally sensitive information" from your "computer system" that is in your possession, custody, or control; or

- b. Based on an offer to restore access and functionality in connection with a threat to your "computer system" or data.

"Cyber extortion threat" does not mean or include any threat":

- a. Made in connection with a commercial dispute; or
- b. To physically harm or kidnap any person.

All "cyber extortion threats" that arise from the same cause, fact, circumstance, situation, event, or transaction will be considered one "cyber extortion threat", and only the policy period in which the "cyber extortion threat" was first made against you will apply.

- 8. "Data breach" means the loss, theft, accidental release, or accidental publication of "personally identifiable information", "protected health information", or "personally sensitive information" involving one or more "impacted individuals".

All "data breaches" that are "discovered" at the same time or arise from the same cause, fact, circumstance, situation, event, or transaction will be considered one "data breach" and only the policy period when the "data breach" was first "discovered" will apply.

- 9. "Defense expenses" means the reasonable and necessary fees (attorney fees and expert fees) and expenses incurred in the defense or appeal of a "claim" or "suit" including the cost of appeal, attachment, or similar bonds (without obligation on our part to obtain such bonds) but excluding wages, salaries, benefits, or expenses of you or your employees.
- 10. "Denial of service attack" means an intentional act caused by unexpected or unauthorized interference or a malicious attack that restricts or prevents authorized access to your "computer system" or data.
- 11. "Discover", "discovery", or "discovered" means the time the facts of a "data breach" or "identity

theft" first become known to you or an "insured" regardless of when such "data breach" or "identity theft" occurred even though the exact details of the "data breach" or identity theft" may not be known at that time.

"Discover", "discovery", or "discovered" also means the time when an "insured" receives notice of an actual or potential claim".

- 12. "Fraud alert" means a warning that is placed on an "impacted individual's" or "insured's" credit bureau record, signaling to potential creditors that the "impacted individual" or "insured" is a victim or may be at risk of becoming a victim of "identity theft".
- 13. "Identity theft" means a fraud committed or attempted using the "personally identifiable information" of an "impacted individual" or "insured" without authority. This includes, but is not limited to, the fraudulent use of "personally identifiable information" to secure loans, commit crimes, establish credit accounts, or enter into contracts.
- 14. "Impacted individual" means any individual person who is your current, former, or prospective customer, client, member, director, or employee whose "personally identifiable information", "protected health information", or "personally sensitive information" has been or could be exposed to an unauthorized third party or multiple third parties through a "data breach" and to whom you've provided notification of the "data breach".
- 15. "Insured" means the following:
 - a. With respect to Data Breach Coverage the following are "insureds" but only with respect to the conduct of your business:
 - (1) If you are designated in the Declarations as an individual, "insured" means you and your spouse;
 - (2) If you are designated in the Declarations as a partnership or joint venture, "insured" means you, your members, and your partners and their spouses;
 - (3) If you are designated in the Declarations as a limited liability company, "insured" means you, your members, and your managers but only with respect to their duties as managers;
 - (4) If you are designated in the Declarations as an organization other than a

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partnership, joint venture, or limited liability company, "insured" means you, your executive officers and directors but only with respect to their duties as your officers or directors, and your stockholders but only with respect to their liability as stockholders;

- (5) If you are designated in the Declarations as a trust, "insured" means you and your trustees but only with respect to their duties as trustees;
 - (6) Your "volunteer workers" but only while performing duties related to the conduct of your business; and
 - (7) Your "employees", but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.
- b. With respect to Cyber Extortion Coverage, "insured" means you.
 - c. With respect to Identity Restoration Coverage, the following are "insureds":
 - (1) If you are designated in the Declarations as an individual, you are an "insured";
 - (2) If you are designated in the Declarations as a partnership, the current partners are "insureds"; or
 - (3) If you are designated in the Declarations as a corporation or other form of organization other than an individual or partnership, all individuals that have a 20% or more ownership position are an "insured". However, if no individual of the insured entity has such an ownership position, the following are an "insured":
 - (a) The chief executive of the insured entity; or
 - (b) The senior ministerial employee if the insured entity is a religious institution.

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.

- 16. "Malicious code" means any computer code, worm, virus, Trojan, BOT, spyware, or malware that is used to collect, destroy, alter, retrieve, or

affect computer software or data on a computer system, network, storage device, personal digital assistant, or other peripheral device. "Malicious code" doesn't include any shortcomings or mistakes in legitimate code or "malicious code" within software or hardware produced, modified, or created by you for license, lease, or sale to third parties.

- 17. "Named malicious code" means "malicious code" that on the date the "data breach"
 - a. Is named and recognized by the CERT Coordination Center, or any other industry accepted third-party anti-virus, anti-malware, or other solution that monitors "malicious code" activity; and
 - b. For which no anti-malware or anti-virus security patch or update for the "named malicious code" is available to you.
- 18. "Negative publicity" means information that becomes public and causes, or is likely to cause, an adverse effect on your reputation, products, or services.
- 19. "Network security wrongful act" means a negligent security weakness or failure of your "computer system" which allowed one or more of the following to happen:
 - a. The unintended forwarding or propagation of "malicious code"; or
 - b. The unintended abetting of a "denial of service attack" against one or more third-party service provider computer systems or networks.

All "network security wrongful acts" that arise from the same cause, fact, circumstance, situation, act, or transaction will be considered one "network security wrongful act", and only the policy period in which the "network security wrongful act" occurred and for which a "claim" is first made or "suit" is first brought will apply.
- 20. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
 - a. False imprisonment, detention, or arrest;
 - b. Malicious prosecution;
 - c. The wrongful entry into or eviction from or invasion of the right of private occupancy of a dwelling, room, or premises a person

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- occupies, committed by or on behalf of its landlord, owner, or lessor;
- d. Publication of material in any manner, either oral or written, that libels or slanders a person or organization or that disparages the services, goods, or products of a person or organization;
 - e. Publication of material in any manner, either oral or written, that violates a person's right of privacy;
 - f. Use of another's advertising idea in your "advertisement"; or
 - g. The infringement upon another's trade dress, slogan, or copyright in your "advertisement".
21. "Personally identifiable information" means any part of information which can be potentially used to uniquely identify an individual and could be used to facilitate "identity theft." This information may include, but is not limited to, identification and contact information, government issued identification numbers and financial information, or any other information defined under specific "privacy regulations". "Personally identifiable information" does not include:
- a. "Cryptocurrency";
 - b. Intellectual property; or
 - c. Information that is otherwise available to the public.
22. "Personally sensitive information" means other information of an "impacted individual" that is deemed as sensitive, unpublished information the release of which under any applicable law requires notification to "impacted individuals". "Personally sensitive information" does not mean:
- a. "Cryptocurrency";
 - b. Intellectual property; or
 - c. Information that is otherwise available to the public.
23. "Privacy regulations" means any state, federal or foreign law or regulation that requires you to provide notification as a direct result of a "data breach".
24. "Property damage" means:
- a. Physical injury to tangible property, including loss of use of that property that results from the physical injury. Loss of use is deemed to occur at the time of the physical injury that caused the loss of use; or
 - b. Loss of use of tangible property that is not physically injured. Loss of use is deemed to occur at the time of the physical injury that caused the loss of use.
25. "Protected health information" means the definition provided by the Health Information Portability and Accountability Act (HIPAA) and includes individually identifiable health information held or maintained by you.
26. "Regulatory proceeding" means regulatory actions including investigation or prosecution brought against you on behalf of the Federal Trade Commission, Federal Communications Commission, or other similar governmental regulatory entities.
27. "Security freeze" means a notification to the credit bureau(s) to lock access to an "impacted individual's" or "insured's" credit file from potential creditors.
28. "Suit" means a civil proceeding against an "insured" commenced by the service of a complaint or similar pleading by one or more "impacted individuals" and includes:
- a. An arbitration proceeding to which the "insured" must submit or does submit with our consent;
 - b. Any other alternative dispute resolution proceeding to which the "insured" submits with our consent; or
 - c. Pre-judgment interest on that part of any judgment paid by us.
29. "Third-party service contractor" means an organization you have a direct business relationship with and for whom you've given possession, custody, or control of, or access to, "personally identifiable information", "protected health information", or "personally sensitive information" of an "impacted individual" pursuant to a written contract or agreement with you.
30. "Unauthorized access" means the gaining of access to your "computer system" by an unauthorized person.
31. "Unauthorized use" means the use of your "computer system" by an unauthorized person(s) or an authorized person(s) in an unauthorized manner.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK-UP AND SUMP OVERFLOW

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Covered Property Annual Aggregate Limit Of Insurance	Business Income And Extra Expense Annual Aggregate Limit Of Insurance
001	\$ 25,000	\$ 5,000
	\$	\$
	\$	\$

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

A. We will pay for direct physical loss or damage to Covered Property, covered under **Section 1 – Property**, caused by or resulting from:

1. Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or
2. Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump or its related equipment.

However, with respect to Paragraph **A.2.**, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

B. The coverage described in Paragraph **A.** of this endorsement does not apply to loss or damage resulting from:

1. An insured's failure to keep a sump pump or its related equipment in proper working condition;
2. An insured's failure to perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions; or
3. Sump pump failure which is caused by or results from failure of power, unless this policy is endorsed to cover power failure affecting the described premises.

C. The most we will pay for the coverage provided under this endorsement for all direct physical loss or damage to Covered Property is the Covered Property Annual Aggregate Limit of Insurance. That limit is \$5,000 per location, unless a different Covered Property Annual Aggregate Limit Of Insurance is indicated in the Schedule of this endorsement.

The applicable Covered Property Annual Aggregate Limit of Insurance is the most we will pay under this endorsement for the total of all direct physical loss or damage sustained in any one policy year, regardless of the number of occurrences that cause or result in loss or damage to Covered Property. If loss payment for the first such occurrence does not exhaust the applicable Limit of Insurance, then the balance of that limit is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

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- D. The following provisions apply to **Section I – Property** and supersede any provisions to the contrary:

The most we will pay under:

1. Paragraph **A.5.f.** Business Income Additional Coverage for all loss of Business Income you sustain due to the necessary suspension of your "operations" caused by direct physical loss or damage to Covered Property as described in Paragraph **A.** of this endorsement; and
2. Paragraph **A.5.g.** Extra Expense Additional Coverage for all necessary Extra Expense you incur and that you would not have incurred if there had been no direct physical loss or damage to Covered Property as described in Paragraph **A.** of this endorsement;

is the Business Income And Extra Expense Annual Aggregate Limit of Insurance. That limit is \$5,000 per location, unless a different Business Income And Extra Expense Annual Aggregate Limit Of Insurance is shown in the Schedule.

The applicable Business Income And Extra Expense Annual Aggregate Limit of Insurance is the most we will pay under this endorsement for the total of all loss of Business Income you sustain and Extra Expense you incur in any one policy year, regardless of the number of occurrences that cause or result in loss or damage to Covered Property as described in Paragraph **A.** of this endorsement. If loss payment during an earlier "period of restoration" in the policy year does not exhaust the applicable Limit of Insurance, then the balance of that limit is available for loss of Business Income you sustain or Extra Expense you incur during a subsequent "period of restoration" beginning in, but not after, that policy year. With respect to a "period of restoration" which begins in one policy year and continues in a subsequent policy year(s), all loss of Business Income you sustain or Extra Expense you incur is deemed to be sustained or incurred in the policy year in which the "period of restoration" began.

- E. With respect to the coverage provided under this endorsement, the **Water Exclusion in Section I – Property** is replaced by the following:

Water

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslide or mudflow;
3. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings; or
4. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **1.** or **3.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **1.** through **4.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **1.** through **4.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

- F. For the purposes of this endorsement, the term drain includes a roof drain and related fixtures.
- G. If this coverage is added by endorsement to your policy after the policy inception date, we will not pay for any loss otherwise covered by this endorsement that occurs within 10 days of the effective date the policy was endorsed.

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THIS FORM PROVIDES CLAIMS-MADE COVERAGE. PLEASE READ THIS ENTIRE FORM CAREFULLY.

DIRECTORS AND OFFICERS LIABILITY COVERAGE FOR COMMUNITY ASSOCIATIONS COVERAGE FORM

SCHEDULE

- 1. Named Insured: LINCOLN SCHOOLS CONDOMINIUMS O
- 2. Named Insured Address:
980 WILLAMETTE ST STE 200
EUGENE, OR 97401-3157
- 3. Coverage Period: from 01-22-2023 to 01-22-2024
- 4. Retroactive Date: 01/22/2016
- 5. Limit of Insurance, Each Claim: \$ _____
- 6. Aggregate Limit of Insurance: \$ _____

Premium: \$

(If no entry appears above, information required to complete this form will be shown in the Declarations as applicable to this form.)

Throughout this form, the words "you" and "your" refer to the Named Insured shown in the Schedule and any other person or organization qualifying as a Named Insured under this form. 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**.

I. INSURING AGREEMENT

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

- 1. The amount we will pay for "damages" or "defense expenses" is limited as described in **Section III – Limit of Insurance**;
- 2. The coverage and duty to defend provided by this policy will end when we have used up the applicable Limit of Insurance for "defense expenses" or the payment of judgments or settlements.

No other obligation or liability to pay sums, such as civil or criminal fines, imposed on you or any other insured, or to perform acts or services is covered unless explicitly provided for under **Section I – Insuring Agreement**, item E., **Supplementary Payments**.

B. This insurance applies to "wrongful acts" committed on or after the Retroactive Date, if any, if shown above and prior to the termination of this coverage under this policy but only if:

- 1. The "wrongful act" took place in the "coverage territory"; and

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2. A claim for compensatory "damages" because of the "wrongful act" is first made against any insured in accordance with paragraph C. below, during the coverage period or any Extended Reporting Period we provide under **Section IV – Conditions, A.** Extended Reporting Period.

C. A claim by a person or organization seeking compensatory "damages" will be deemed to have been made at the earlier of the following times:

1. When notice of such claim is received by any insured or by us, whichever comes first; or
2. When we make settlement in accordance with paragraph A. above.

All claims arising out of the same or related "wrongful acts" will be deemed to have been made at the same time the first of these claims is made against any insured.

D. Exclusions

The insurance provided by this form does not apply to:

1. "Bodily injury", "property damage", or "personal and advertising injury".
2. Punitive or exemplary damages. However, if a "suit" is brought against the insured with respect to a claim for acts or alleged acts falling within the coverage hereof, seeking both compensatory and punitive or exemplary damages, then we will afford a defense to such action but will not extend coverage for such punitive or exemplary damages.
3. "Damages" resulting from:
 - a. "Wrongful acts" that result in any insured gaining personal profit, remuneration or advantage to which such insured is not legally entitled.
 - b. Any dishonest, fraudulent, criminal or malicious act, error or omission committed by or with the knowledge or consent of any insured.
 - c. The failure of any person to effect or maintain acceptable amounts, forms, conditions or provisions of any insurance or bonds.
 - d. Any violation of the Employee Retirement Income Security Act of 1974, or similar provision of any federal, state or local statutory or common law.
 - e. Operations (including but not limited to construction, design, survey and engineering services) performed by or on behalf of the builder, sponsor or developer of the property designated in the Declarations.
 - f. The failure of any insured to enforce the rights of the Named Insured against the builder, sponsor or developer of the property designated in the Declarations.
 - g. Discrimination.
 - h. The "wrongful act" of any developer or sponsor who is an officer or member of the condominium association, or other community association board of directors.
 - i. Any claim or "suit" made by any insured against another insured.
 - j. Employment-related practices, policies, acts or omissions.
4. "Damages" resulting from:
 - a. The actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" including asbestos or lead paint.
 - b. Any request, demand or order that any insured or others test for, clean up, remove, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of "pollutants" including asbestos or lead paint.
 - c. Any claim or "suit" by or on behalf of a governmental authority 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" including asbestos or lead paint.

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5. "Damages" resulting from:
- a. Any claim made or "suit" brought prior to or pending as of the inception date of the coverage period as shown in the Schedule. However, if this insurance is a renewal of the same or similar coverage provided by us, this exclusion applies to claims made or "suits" brought prior to or pending as of the date such coverage was first provided by us.
 - b. Any subsequent claims made or "suits" brought that arise from or are based upon substantially the same matters as alleged in the pleadings of such prior or pending claims or "suits".
 - c. Any act of any insured which gave rise to such prior or pending claim or "suit".
 - d. Any claim or "suit" that may be reasonably anticipated as of the inception date of the coverage period as shown in the Schedule.
6. "Damages" resulting from:
- a. The actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
 - b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.
- This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for consumption.

E. Supplementary Payments

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

1. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
2. All interest on the full amount of any judgment which accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment which is within the applicable limit of insurance.

But we will not pay interest on the amount of any judgment which constitutes punitive or exemplary damages. These payments will not reduce the limit of insurance.

II. WHO IS AN INSURED

- A. If you are designated in the Schedule above, then you are an insured.
- B. Your directors, trustees or officers are also insureds, but only while acting within the scope of their duties for you. This includes:
1. Those who currently are directors, trustees or officers;
 2. Those who were directors, trustees or officers when the "wrongful act" took place;
 3. Those who become directors, trustees or officers after the effective date of this form but only for subsequent "wrongful acts".
- C. Your "employees" and members are insureds, but only while acting at your direction and within the scope of their duties for you.

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III. LIMITS OF INSURANCE

- A. The Limits of Insurance shown in the Schedule above and the rules below fix the most we will pay regardless of the number of;
1. Insureds;
 2. Claims made or "suits" brought;
 3. Persons or organizations making claims or bringing "suits".
- B. The Limit of Insurance shown in the Schedule above as Aggregate is the most we will pay for all "damages" and "defense expenses" for all claims made during the coverage period shown in the Schedule.
- C. Subject to B. above, the Limit of Insurance shown in the Schedule as Each Claim is the most we will pay for "damages" and "defense expenses" arising out of any one claim. For purposes of determining the Limit of Insurance, all claims arising out of the same or related "wrongful acts" will be considered as one claim.

IV. CONDITIONS

A. Extended Reporting Period

1. If this insurance is cancelled or non-renewed for any reason other than non-payment of premium, we will provide an automatic Extended Reporting Period of 60 days. The Extended Reporting Period does not extend the coverage period or change the scope of coverage provided. It applies only to claims for "wrongful acts" committed before the end of the coverage period.
 - a. The Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.
 - b. The Extended Reporting Period does not reinstate or increase the Limits of Insurance.
2. Supplemental Extended Reporting Period
 - a. You have the right to purchase a Supplemental Extended Reporting Period of 5 years as described below if:
 - (1) This insurance is cancelled or nonrenewed; or
 - (2) We renew or replace this insurance with insurance that:
 - (a) Has a different Retroactive Date than this coverage form; or
 - (b) Does not apply to a directors and officers "wrongful act" on a claims-made basis.
 - b. The Supplemental Extended Reporting Period does not extend the coverage period or change the scope of coverage provided. It applies only to claims for "wrongful acts" committed before the end of the coverage period but not before the Retroactive Date, if any, shown in the Schedule.
 - c. The Supplemental Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such claims.
 - d. The Supplemental Extended Reporting Period Limit of Insurance is equal to the Aggregate limit, if any, entered in the Schedule in effect at the end of the policy period.
 - e. You must give us a written request for the Supplemental Extended Reporting Period endorsement within 60 days after the end of the policy coverage period. The 5 year Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

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- f. We will determine the additional premium in accordance with our rates and rules. The additional premium will not exceed 100% of the annual premium for this coverage.
- g. Once in effect, the Supplemental Extended Reporting Period endorsement may not be terminated.

B. Bankruptcy

Bankruptcy or insolvency of the insured will not relieve us of our obligations under this insurance.

C. Insured's Duties in the Event of a "Wrongful Act", Claim or "Suit".

1. In the event of a "wrongful act", you must see to it that we are notified as soon as is practicable. To the extent possible, notice should include:
 - a. How, when and where the "wrongful act" took place;
 - b. The nature of the "wrongful act"; and
 - c. The names and addresses of injured parties and witnesses.Notice of such "wrongful act" does not constitute notice of a claim.
2. If a claim is received by any insured, you must immediately record the specifics of the claim and the date received and notify us immediately. Written notice should be provided as soon as is practicable.
3. You and any other involved insured must:
 - a. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
 - b. Authorize us to obtain records and other information;
 - c. Cooperate with us in the investigation of any "wrongful act" or settlement of the claim or defense against the "suit"; and
 - d. Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to any insured because of "damages" to which this insurance applies.
4. No insureds will, except at that insured's own expense, voluntarily make a payment, assume any obligation, or incur any expenses without our consent.

D. Legal Action Against Us

No person or organization has a right under this insurance:

1. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or
2. To sue us on this insurance unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial, but we will not be liable for "damages" that are not payable under the terms of this insurance 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.

E. Other Insurance

This insurance is excess over any other valid and collectible insurance available to any insured, whether primary, excess, contingent or on any other basis unless such other insurance was purchased specifically to be excess over the limits of insurance this insurance provides.

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F. Changes

This form contains all of the agreements between you and us concerning the insurance afforded under this form. The first Named Insured shown in the Schedule is authorized to make changes in the terms of this insurance with our consent. This form's terms and conditions can be amended or waived only by endorsement issued specifically to amend this insurance.

G. Transfer of Rights of Recovery

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

H. Conformity to Statute

Any terms of this insurance which are in conflict with the statutes of the state in which this policy is issued are hereby amended to conform with such statutes.

I. Representations

By accepting this insurance you agree:

1. The statements in the application are accurate and complete;
2. Those statements are based upon representations you made to us; and
3. We have issued this insurance in reliance upon your representations.

J. Cancellation and Nonrenewal

This insurance is subject to the **Cancellation** and **Nonrenewal** policy conditions that apply to other Liability coverages under this policy.

V. DEFINITIONS

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

B. "Coverage territory" means:

1. The United States of America (including its territories and possessions), Puerto Rico and Canada;
2. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in **B.1.** above; or
3. All parts of the world if:
 - a. The injury or damage arises out of:
 - (1) Goods or products made or sold by you in the territory described in **B.1.** above; or
 - (2) The activities of a person whose home is in the territory described in **B.1.** above, but is away for a short time on your business, not to exceed 30 days; and
 - b. The insured's responsibility to pay damages is determined in a "suit" on the merits in the territory described in **B.1.** above or in a settlement we agree to.

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- C. "Damages" means monetary compensation to a claimant for loss caused by the "wrongful act" of an insured. The term "damages" does not include any amounts due under the terms of a contractual obligation including back pay, salary, wages, or other forms of compensation including interest thereon. "Damages" also does not include punitive or exemplary damages, except that if a "suit" is brought against the insured with respect to a claim for acts or alleged acts falling within the coverage hereof, seeking both compensatory and punitive or exemplary damages, then we will afford a defense to such action, without however extending coverage for such punitive or exemplary damages.
- D. "Defense expenses" means fees charged by an attorney as designated, in writing, by us, and all other fees, costs and expenses resulting from the investigation, adjustment, defense and appeal of a claim, "suit" or proceeding arising in connection therewith, if incurred by us or by an insured with our written consent.
- E. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- F. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.
- G. "Leased worker" means a person leased to you by a labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- H. "Personal and advertising injury" means injury, other than "bodily injury", arising out of one or more of the following offenses:
1. False arrest, detention or imprisonment;
 2. Malicious prosecution;
 3. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, by or on behalf of its owner, landlord or lessor;
 4. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 5. Oral or written publication, in any manner, of material that violates a person's right of privacy;
 6. Misappropriation of advertising ideas or style of doing business; or
 7. Infringement of copyright, title or slogan.
- I. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- J. "Property damage" means:
1. Physical injury to tangible property, including all resulting loss of use of that property; or
 2. Loss of use of tangible property that is not physically injured.
- K. "Suit" means a civil proceeding in which "damages" because of a "wrongful act" to which this insurance applies are alleged. "Suit" includes:
1. An arbitration proceeding in which such "damages" are claimed and to which the insured must submit or does submit with our consent; or
 2. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent.

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- L. "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.
- M. "Wrongful act" means any actual or alleged error, mistake, misstatement or misleading statement, act, omission or neglect or breach of duty by any insured.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Coverage 1 (Check if applies)	Coverage 2 Limit Of Insurance	Coverage 3 Limit Of Insurance	Coverages 2 And 3 Combined Limit Of Insurance*
001	001	<input type="checkbox"/>			\$250,000
Business Income And Extra Expense Optional Coverage (Enter Yes or No): NO					
Number Of Hours' Waiting Period For Period Of Restoration Applicable To Business Income And Extra Expense Optional Coverage:					
*Do not enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages 2 and 3, or if one of these Coverages is not applicable.					
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.					

Section I – Property is amended as follows:

A. Each Coverage – Coverage 1, Coverage 2 and Coverage 3 – is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then only with respect to the building identified for the Coverage(s) in the Schedule.

B. Application Of Coverage(s)

The Coverage(s) provided by this endorsement applies only if both **B.1.** and **B.2.** are satisfied and are then subject to the qualifications set forth in **B.3.**

1. The ordinance or law:
 - a. Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - b. Is in force at the time of loss.

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

2. The building sustains direct physical damage:
 - a. That is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law; or
 - b. That is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.
 - c. But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

3. In the situation described in **B.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **1, 2** and/or **3** of this endorsement. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Section **H.** of this endorsement provides an example of this procedure.)

However, if the covered direct physical damage alone would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of Coverages **1, 2** and/or **3** of this endorsement.

C. We will not pay under Coverage **1, 2** or **3** of this endorsement for:

1. Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot; or
2. The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet rot or dry rot.

D. Coverage

1. Coverage 1 – Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **1** for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building. Coverage **1** is included within the Limit Of Insurance shown in the Declarations as applicable to the covered building. Coverage **1** does not increase the Limit of Insurance.

2. Coverage 2 – Demolition Cost Coverage

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

Paragraph **E.5.d. Loss Payment** Property Loss Condition does not apply to **Demolition Cost Coverage**.

3. Coverage 3 – Increased Cost Of Construction Coverage

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

- a. Repair or reconstruct damaged portions of that building; and/or
- b. Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

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

However:

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

Paragraph **E.5.d. Loss Payment** Property Loss Condition does not apply to the **Increased Cost Of Construction Coverage**.

E. Loss Payment

1. All following loss payment Provisions E.2. through E.5. are subject to the apportionment procedure set forth in Section B.3. of this endorsement:
2. When there is a loss in value of an undamaged portion of a building to which Coverage 1 applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - a. If the property is repaired or replaced on the same 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 shown in the Declarations as applicable to the covered building.
 - b. If the property is **not** repaired or replaced, we will not pay more than the lesser of:
 - (1) The actual cash value of the building at the time of loss; or
 - (2) The Limit Of Insurance shown in the Declarations as applicable to the covered building.
3. Unless Paragraph E.5. applies, loss payment under Coverage 2 – Demolition Cost Coverage will be determined as follows:

We will not pay more than the lesser of the following:

 - a. The amount you actually spend to demolish and clear the site of the described premises; or
 - b. The applicable Limit Of Insurance shown for Coverage 2 in the Schedule above.
4. Unless Paragraph E.5. applies, loss payment under Coverage 3 – Increased Cost Of Construction Coverage will be determined as follows:
 - a. We will not pay under Coverage 3:
 - (1) Until the property is actually repaired or replaced, at the same or another premises; and
 - (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage 3 is the lesser of:
 - (1) The increased cost of construction at the same premises; or
 - (2) The applicable Limit Of Insurance shown for Coverage 3 in the Schedule above.
 - c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage 3 is the lesser of:
 - (1) The increased cost of construction at the new premises; or
 - (2) The applicable Limit Of Insurance shown for Coverage 3 in the Schedule above.
5. If a Combined Limit Of Insurance is shown for Coverages 2 and 3 in the Schedule above, Paragraphs E.2. and E.3. of this endorsement do not apply with respect to the building property that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost Of Construction, is the Combined Limit Of Insurance shown for Coverages 2 and 3 in the Schedule above. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

 - a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
 - b. With respect to the Increased Cost Of Construction:
 - (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

(3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

F. The terms of this endorsement apply separately to each building to which this endorsement applies.

G. Under this endorsement, we will not pay for loss due to any ordinance or law that:

1. You were required to comply with before the loss, even if the building was undamaged; and
2. You failed to comply with.

H. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section B.3. of this endorsement).

Assume:

- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
- The building has a value of \$200,000;
- Total direct physical damage to building: \$100,000;
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
- Portion of direct physical damage that is covered (caused by wind): \$30,000;
- Portion of direct physical damage that is not covered (caused by flood): \$70,000; and
- Loss under Ordinance or Law Coverage 3 of this endorsement: \$60,000.

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

$$\$30,000 \text{ divided by } \$100,000 = .30$$

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

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

In this example, the most we will pay under this endorsement for the Coverage 3 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverages 1 and 2 of this endorsement.

I. If shown as applicable in the Schedule of this endorsement, the following applies:

Business Income And Extra Expense Optional Coverage

1. If a Covered Cause of Loss occurs to property at the premises described in the Declarations, coverage is extended to include the amount of actual and necessary loss you sustain during the increased period of suspension of your "operations" caused by or resulting from a requirement to comply with any ordinance or law that:

- a. Regulates the construction or repair of any property;
- b. Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and
- c. Is in force at the time of loss.

However, coverage is not extended under this endorsement to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires 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".

2. Paragraph H.9. Period Of Restoration Definition is replaced by the following:

9. "Period of restoration" means the period of time that:

a. Begins:

(1) 72 hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises, unless a lesser number of hours is shown in the Schedule of this endorsement; or

(2) Immediately after the time of the direct physical loss or damage for Extra Expense Coverage caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

(1) The date when the property at the described 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.

"Period of restoration" includes any increased period required to repair or reconstruct the property to comply with the minimum standards of any ordinance or law, in force at the time of loss, that regulates the construction or repair, or requires the tearing down of any property.

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

The attention of the court is directed to the fact that the above information was obtained from the records of the Department of Health and Human Services.

(2) The data on the above information was obtained from the records of the Department of Health and Human Services. The information was obtained from the records of the Department of Health and Human Services. The information was obtained from the records of the Department of Health and Human Services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Coverage 1 (Check if applies)	Coverage 2 Limit Of Insurance	Coverage 3 Limit Of Insurance	Coverages 2 And 3 Combined Limit Of Insurance*
		<input type="checkbox"/>	\$	\$	\$
		<input type="checkbox"/>	\$	\$	\$
		<input type="checkbox"/>	\$	\$	\$

Business Income And Extra Expense Optional Coverage (Enter Yes or No):

Number Of Hours' Waiting Period For Period Of Restoration Applicable To Business Income And Extra Expense Optional Coverage:

*Do not enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages 2 and 3, or if one of these Coverages is not applicable.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations or another applicable Schedule on the policy.

Section I – Property is amended as follows:

A. Each Coverage – Coverage 1, Coverage 2 and Coverage 3 – is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then only with respect to the building identified for the Coverage(s) in the Schedule.

B. Application Of Coverage(s)

The Coverage(s) provided by this endorsement applies only if both **B.1.** and **B.2.** are satisfied and are then subject to the qualifications set forth in **B.3.**

1. The ordinance or law:
 - a. Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
 - b. Is in force at the time of loss.

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

2. The building sustains direct physical damage:
 - a. That is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law; or
 - b. That is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.
 - c. But if the damage is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

3. In the situation described in **B.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **1, 2** and/or **3** of this endorsement. Instead, we will pay a proportion of such loss, meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Section **H.** of this endorsement provides an example of this procedure.)

However, if the covered direct physical damage alone would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of Coverages **1, 2** and/or **3** of this endorsement.

C. We will not pay under Coverage **1, 2** or **3** of this endorsement for:

1. Enforcement of or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot; or
2. The costs associated with the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet rot or dry rot.

D. Coverage

1. Coverage 1 – Coverage For Loss To The Undamaged Portion Of The Building

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **1** for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building. Coverage **1** is included within the Limit Of Insurance shown in the Declarations as applicable to the covered building. Coverage **1** does not increase the Limit of Insurance.

2. Coverage 2 – Demolition Cost Coverage

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

Paragraph **E.5.d. Loss Payment Property Loss Condition** does not apply to **Demolition Cost Coverage**.

3. Coverage 3 – Increased Cost Of Construction Coverage

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

- a. Repair or reconstruct damaged portions of that building; and/or
- b. Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

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

However:

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

Paragraph **E.5.d. Loss Payment Property Loss Condition** does not apply to the **Increased Cost Of Construction Coverage**.

E. Loss Payment

1. All following loss payment Provisions E.2. through E.5. are subject to the apportionment procedure set forth in Section B.3. of this endorsement:
2. When there is a loss in value of an undamaged portion of a building to which Coverage 1 applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - a. If the property is repaired or replaced on the same 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 shown in the Declarations as applicable to the covered building.
 - b. If the property is **not** repaired or replaced, we will not pay more than the lesser of:
 - (1) The actual cash value of the building at the time of loss; or
 - (2) The Limit Of Insurance shown in the Declarations as applicable to the covered building.
3. Unless Paragraph E.5. applies, loss payment under Coverage 2 – Demolition Cost Coverage will be determined as follows:

We will not pay more than the lesser of the following:

 - a. The amount you actually spend to demolish and clear the site of the described premises; or
 - b. The applicable Limit Of Insurance shown for Coverage 2 in the Schedule above.
4. Unless Paragraph E.5. applies, loss payment under Coverage 3 – Increased Cost Of Construction Coverage will be determined as follows:
 - a. We will not pay under Coverage 3:
 - (1) Until the property is actually repaired or replaced, at the same or another premises; and
 - (2) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage 3 is the lesser of:
 - (1) The increased cost of construction at the same premises; or
 - (2) The applicable Limit Of Insurance shown for Coverage 3 in the Schedule above.
 - c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage 3 is the lesser of:
 - (1) The increased cost of construction at the new premises; or
 - (2) The applicable Limit Of Insurance shown for Coverage 3 in the Schedule above.
5. If a Combined Limit Of Insurance is shown for Coverages 2 and 3 in the Schedule above, Paragraphs E.2. and E.3. of this endorsement do not apply with respect to the building property that is subject to the Combined Limit, and the following loss payment provisions apply instead:

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost Of Construction, is the Combined Limit Of Insurance shown for Coverages 2 and 3 in the Schedule above. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

 - a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
 - b. With respect to the Increased Cost Of Construction:
 - (1) We will not pay for the increased cost of construction:
 - (a) Until the property is actually repaired or replaced, at the same or another premises; and
 - (b) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

2. **Communication Supply Property**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated in the Schedule.

3. **Power Supply Property**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated in the Schedule.

D. As used in this endorsement, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

E. Paragraph C. **Limits Of Insurance** is replaced by the following:

C. Limits Of Insurance

If a Utility Services Limit Of Insurance is shown in the Schedule, such limit is part of, not in addition to, the Limit Of Insurance stated in the Declarations as applicable to the Covered Property.

If no Limit of Insurance is shown for Utility Services, coverage under this endorsement is subject to the applicable Limit Of Insurance on the Covered Property as shown in the Declarations. But this Utility Services endorsement does not increase the applicable Limit of Insurance.

Property	Utility Services Limit of Insurance	Other Limits
Covered Property		
Covered Property		
Covered Property		
Covered Property		
Covered Property		
Covered Property		
Covered Property		
Covered Property		
Covered Property		
Covered Property		

The coverage provided by this endorsement is subject to the provisions of Section 1 - Property. Paragraph C - Utilities Services is subject to the following:

A. The following is added to Paragraph A - Coverage: We will pay for loss of or damage to Covered Property, including in the Schedule, caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph C of this endorsement if such property is indicated by an "X" in the Schedule.

B. Utility Services: Utility Supply Property, meaning the following types of property supplying water to the described premises: a. Transmission lines; b. Water mains; c. Utility Service: Coverage under this endorsement is not available for damage to Covered Property, including loss or damage to electrical cable, interrupting the flow of electricity to "electrical cable".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UTILITY SERVICES – TIME ELEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Utility Services Limit Of Insurance	Water Supply Property ("X" If Applies)	Waste-water Removal Property	Communication Supply Property	Power Supply Property
					Overhead Transmission Lines Enter Either "Included" Or "Not Included" (If Applicable)	
All	All	\$ 25,000	X	X	Included	Included
		\$				
		\$				

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

The coverage provided by this endorsement is subject to the provisions of Section I – Property, except as provided below.

A. The following is added to Paragraph A. Coverage:

We will pay for loss of Business Income or Extra Expense at the described premises caused by the interruption of service to the described premises. The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the property described in Paragraph C. of this endorsement if such property is indicated by an "X" in the Schedule.

B. Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to "electronic data", including destruction or corruption of "electronic data".

C. Utility Services

1. Water Supply Property, meaning the following types of property supplying water to the described premises:
 - a. Pumping stations; and
 - b. Water mains.
2. Wastewater Removal Property, meaning a utility system for removing wastewater and sewage from the described premises, other than a system designed primarily for draining storm water. The utility property includes sewer mains, pumping stations and similar equipment for moving the effluent to a holding, treatment or disposal facility, and includes such facilities.

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

3. Communication Supply Property, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated in the Schedule.

4. Power Supply Property, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;

- c. Substations;
- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated in the Schedule.

D. As used in this endorsement, the term transmission lines includes all lines which serve to transmit communication service or power, including lines which may be identified as distribution lines.

E. Paragraph C. Limits Of Insurance is replaced by the following:

C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the Limit Of Insurance shown in the Schedule as applicable to the Covered Property.

Property Description	Limit Of Insurance	Other	Other	Other	Other	Other

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

SCHEDULE – PART I	
Terrorism Premium (Certified Acts)	\$ Included
Additional information, if any, concerning the terrorism premium:	
<p>The portion of your annual premium attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act (TRIA) is included in your policy premium based on its ordinary coverage. There is no additional premium for terrorist acts that is attributable to TRIA.</p> <p>For policies providing coverage in the following states with special fire policy laws, small fire insurance charges may apply related to terrorism. However, these charges are not attributable to TRIA. CA, CT, GA, HI, IA, IL MA, ME, MO, NC, NJ, NY, OR, RI, VA, WA, WI, WV</p>	
SCHEDULE – PART II	
Federal share of terrorism losses	80 %
<i>(Refer to Paragraph B. in this endorsement.)</i>	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Disclosure Of Premium

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

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) 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.

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C. Cap On Insurer Participation In Payment Of Terrorism Losses

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

<p>SCHEDULE - PART 1</p> <p>Terrorism Premium (Certified acts) \$ 0.00</p>
<p>Additional information, if any, concerning the Terrorism Premium:</p> <p>The portion of your annual premium attributable to coverage for certified acts is shown on the Terrorism Risk Insurance Act (TRIA) schedule in your policy contract as an "insured coverage." There is no additional premium for certified acts that is applicable to TRIA.</p> <p>The portion of your annual premium attributable to coverage in the following states will exceed the policy limit when the aggregate insured losses exceed the aggregate insured losses in TRIA: CA, CT, GA, HI, IL, IN, MI, MN, NY, ND, RI, VA, WA, WI, WY.</p>
<p>SCHEDULE - PART 2</p> <p>Federal share of terrorist losses 00 %</p> <p>(This is Schedule B in the contract.)</p> <p>This portion of the loss is subject to the cap on insurer participation in payment of terrorism losses.</p>

B. Cap on Insurer Participation in Payment of Terrorism Losses

The United States Government, Government of the Territory, will pay a share of terrorism losses incurred under the Terrorism Risk Insurance Act (TRIA) in accordance with the provisions of the Act. The portion of the loss that exceeds the aggregate insured losses in TRIA is subject to the cap on insurer participation in payment of terrorism losses. The portion of the loss that exceeds the aggregate insured losses in TRIA is subject to the cap on insurer participation in payment of terrorism losses. The portion of the loss that exceeds the aggregate insured losses in TRIA is subject to the cap on insurer participation in payment of terrorism losses.

A. Exclusion of Terrorism

In accordance with the Terrorism Risk Insurance Act, we are required to provide you with a notice describing the portion of your premium that is attributable to coverage for certified acts included under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule B of this endorsement or the policy Declaration.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement will provide additional coverage for the following:

BUSINESSOWNERS COVERAGE FORM

1. Coverage for physical damage to property owned or leased by the insured under the Terrorism Risk Endorsement Form shall be provided for a covered loss and the amount shall be the lesser of the actual cash value of the property or the amount of the actual cash value of the property as determined by the insurer. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors.

2. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors.

The following provisions are added to the Businessowners Form and apply to Property and Liability Coverage:

A. CAP ON CERTIFIED TERRORISM LOSSES

1. Coverage for physical damage to property owned or leased by the insured under the Terrorism Risk Endorsement Form shall be provided for a covered loss and the amount shall be the lesser of the actual cash value of the property or the amount of the actual cash value of the property as determined by the insurer. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors.

2. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors.

3. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors. This coverage shall not apply to property that is damaged by the insured or its employees, agents, independent contractors, or subcontractors.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO BY-PRODUCTS OF PRODUCTION OR PROCESSING OPERATIONS (RENTAL PROPERTIES)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Description Of Rental Unit
ALL	ALL	ALL

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

Section I – Property is amended as follows:

- A. The terms of this endorsement apply to the rental unit(s) described in the Schedule, and to the building(s) in which such unit(s) are located, including any contents of such unit(s) and building(s), all of which constitute the described premises for the purpose of this endorsement.
- B. We will not pay for loss or damage to the described premises, caused by or resulting from smoke, vapor, gas or any substance released in the course of production operations or processing operations performed at the rental unit(s) described in the Schedule. This exclusion applies regardless of whether such operations are:
 1. Legally permitted or prohibited;
 2. Permitted or prohibited under the terms of the lease; or
 3. Usual to the intended occupancy of the premises.

This exclusion does not apply to loss or damage by fire or explosion that results from the release of a by-product of the production or processing operation.

- C. If the loss or damage described in Paragraph B. of this endorsement results in Business Income loss or Extra Expense, there is no coverage for such loss or expense under the Business Income or Extra Expense Additional Coverages.
- D. The conduct of a tenant's production or processing operations will not be considered to be vandalism of the rental premises regardless of whether such operations are:
 1. Legally permitted or prohibited;
 2. Permitted or prohibited under the terms of the lease; or
 3. Usual to the intended occupancy of the premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO BY-PRODUCTS OF PRODUCTION OR PROCESSING OPERATIONS (RENTAL PROPERTIES)

This endorsement modifies coverage provided by the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Property Address	Building Number	Description Of Rental Unit
123	456	789

Information located in columns to complete this Schedule. If not shown above, will be shown in the Declaration.

Section 1 - Property is endorsed as follows:

- The terms of this endorsement apply to the rental units described in the Schedule, and to the building in which such units are located, including any contents of such units and contents of or which operate in the building, whether in the process of installation.
- We will not pay for loss or damage to the described property caused by or resulting from a covered peril, but only such loss or damage as is caused by production operations in the course of production operations in the building described in the Schedule. This exclusion applies regardless of whether such operations are:
 - legally permitted or prohibited.
 - permitted or prohibited upon the terms of the lease.
 - used in the normal occupancy of the building.

- The covered of a tenant's reduction or production operations will not be provided to the extent of the tenant's reduction or production operations which are:
 - legally permitted or prohibited.
 - permitted or prohibited upon the terms of the lease.
 - used in the normal occupancy of the building.
- If the loss or damage described in Paragraph 1 is the result of a tenant's reduction or production operations in the building, the Business Owners form or Endorsement does not cover the loss or damage to the building, contents of the building or contents of or which operate in the building, whether in the process of installation.