

Terrorism

TERRORISM & SABOTAGE





mosaic

INSURANCE

**City of Baton Rouge, Parish of EBR, Greater BR Airport
District dba The Baton Rouge Metropolitan Airport**

**Issued by:
Mason Anderson**



Louisiana Premium: \$11,480.00
Fees:
Surplus Lines Tax:

MOSAIC AMERICAS INSURANCE SERVICES LLC
One Grand Central Place, 60 East 42nd Street, 42nd Floor, New York, NY 10165
ADMINISTRATOR FOR ASTA MANAGING AGENCY - LLOYDS SYNDICATE 1609
TERRORISM & SABOTAGE POLICY – SCHEDULE I
UMR #: B128411090L24

1. BROKER:
Margaux Hoefer
Amwins
Margaux.hoefer@amwins.com
88 Pine St., 6th Floor
New York, NY 10005
2. NAMED INSURED:
City of Baton Rouge, Parish of EBR, Greater BR Airport District dba The Baton Rouge Metropolitan Airport
3. MAILING ADDRESS:
9430 Jackie Cochran Dr.
Baton Rouge, LA 70807
4. PROJECT ADDRESS:
N/A
5. POLICY NUMBER:
PWT2694525AA
6. POLICY PERIOD:
FROM: January 01, 2025
TO: January 01, 2026
BOTH DATES INCLUSIVE, LOCAL STANDARD TIME AT THE LOCATION OF THE PROPERTY INSURED (BUILDINGS AND CONTENTS)

7. PERILS INSURED:
Terrorism & Sabotage
8. INTEREST(S) INSURED:
Property Damage & Business Interruption
9. WORDING:
LMA 3030/5039
10. TERRITORY:
United States
11. POLICY LIMIT:
\$60,000,000 Any One Occurrence and In the Aggregate
12. POLICY SUB-LIMIT (if applicable):
As Per Policy Wording
13. DEDUCTIBLE:
\$5,000 Any One Occurrence
14. TIME ELEMENT WAITING PERIOD (if applicable):
N/A
15. PREMIUM (Excludes all applicable taxes and fees):

Premium	Layer Premium	MAIS Premium
<i>Premium Excluding any Surplus Lines Taxes and Fees</i>	\$11,480	\$11,480

16. TOTAL DECLARED VALUE OF BUILDINGS AND CONTENTS:
- | | |
|------------------------|----------------------|
| Building: | \$ |
| Contents: | \$ |
| Business Interruption: | \$ |
| TOTAL: | \$154,564,894 |
17. LINE SIZE:
MAIS 100% (\$60,000,000)

18. SECURITY:

Lloyd's Syndicate	Percentage %
Mosaic Syndicate 1609	15.35%
Markel Syndicate 3000	13.35%
Cincinnati Syndicate 318	5.50%
Munich Re Syndicate 457	9.00%
Navigators Syndicate 1221	9.00%
Aspen Syndicate 4711	12.75%
Lancashire Syndicate 3010	9.00%
Apollo Syndicate 1969	5.00%
IQUW Syndicate 1856	6.30%
Brit Syndicate 2987	10.25%
Chaucer Syndicate 1084	4.50%
	100.00%

CONDITIONS:

Valuation: Property Damage: Replacement Cost Values; Rents/Business Interruption: Actual Loss Sustained

Cancellation: This Policy is non-cancellable except for non-payment of premium.

Premium Payment: Premium is payable within 30 days of the effective date and should be remitted to:

Account Number	80009-471-527
Bank Name	JP Morgan Chase Bank
Bank Swift Code	CHASUS33
Currency	US Dollar

Surplus Lines Taxes & Filings: This does not include any amount with respect to Surplus Lines Taxes and/or fees. The broker named above is responsible for the filing, collection and payment of all Surplus Lines Taxes and Fees. All Surplus Lines license numbers and names of the person(s) and/or Company(ies) responsible for the filings are required at bind. Percentage and totals must equal bound Total Premium and Total Insured Value.

Government Activity Clause: The Company shall not be liable for loss or damage caused by or resulting from: (1) the seizure or destruction of property insured by this policy by any government body, including any customs or quarantine action, or (2) confiscation or destruction of any property by order of any government or public authority, except an order to destroy property to prevent the spread of fire or explosion.

Service of Suit Clause: As Per Policy Form

Notice of Claim: USClaimsFNOL@mosaicinsurance.com

Choice of Law: This agreement shall be governed by, and construed in accordance with, the laws of New York, without giving effect to any conflict of laws principles that would cause the application of the laws of any other jurisdiction, and any disputes concerning this agreement shall be subject to the exclusive jurisdiction of the federal courts in New York, or if such courts do not have jurisdiction, then the state courts of New York.

ENDORSEMENTS:

1. OFAC ENDORSEMENT
2. LMA 3100: SANCTION LIMITATION & EXCLUSION CLAUSE
3. LMA 5123: (RE)INSURERS SEVERAL LIABILITY CLAUSE
4. LMA 5394: COMMUNICABLE DISEASE EXCLUSION
5. CL 370: INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE
6. LMA 5409: CYBER & DATA EXCLUSION
7. RESTRICTED ZIP CODES ENDT



Authorized Representative

December 23, 2024

Date

POLICY NUMBER: PWT2694525AA

INSURED NAME: City of Baton Rouge, Parish of EBR, Greater BR Airport District

POLICY PERIOD: 01/01/2025 To 01/01/2026

NOTICE:

This insurance policy is delivered as surplus lines coverage under the Louisiana Insurance Code.

In the event of insolvency of the company issuing this contract, the policyholder or claimant is not covered by the Louisiana Insurance Guaranty Association or the Louisiana Life and Health Insurance Guaranty Association, which guarantees only specific types of policies issued by insurance companies authorized to do business in Louisiana.

This surplus lines policy has been procured by the following licensed Louisiana surplus lines broker:



**Signature of the Licensed Louisiana Surplus Lines Broker or
Authorized Representative**

Amwins Insurance Brokerage, LLC

Printed Name of Licensed Louisiana Surplus Lines Broker



FRAUD WARNING

NOTICE: ANY PERSON WHO, KNOWINGLY OR WITH INTENT TO DEFRAUD OR TO FACILITATE A FRAUD AGAINST ANY INSURANCE COMPANY OR OTHER PERSON, SUBMITS AN APPLICATION OR FILES A CLAIM FOR INSURANCE CONTAINING FALSE, DECEPTIVE OR MISLEADING INFORMATION MAY BE GUILTY OF INSURANCE FRAUD.

NOTICE TO ALABAMA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution or confinement in prison, or any combination thereof.

NOTICE TO ALASKA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive an insurance company files a claim containing false, incomplete, or misleading information may be prosecuted under state law.

NOTICE TO ARIZONA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of loss is subject to criminal and civil penalties.

NOTICE TO ARKANSAS, RHODE ISLAND AND WEST VIRGINIA APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit, or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO CALIFORNIA APPLICANTS: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

NOTICE TO COLORADO APPLICANTS: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an Insurance Company for the purpose of defrauding or attempting to defraud the Company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any Insurance Company or agent of an Insurance Company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.



NOTICE TO DELAWARE, IDAHO APPLICANTS: Any person who knowingly and with intent to injure, defraud or deceive any insurer, files a statement of claim containing any false, incomplete, or misleading information is guilty of a felony.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.

NOTICE TO FLORIDA APPLICANTS: Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete or misleading information is guilty of a felony in the third degree.

NOTICE TO HAWAII APPLICANTS: Presenting a fraudulent claim for payment of a loss or benefit is a crime punishable by fines or imprisonment, or both.

NOTICE TO INDIANA APPLICANTS: A person who knowingly and with intent to defraud an insurer, files a statement of claim containing any false, incomplete or misleading information commits a felony.

NOTICE TO KANSAS APPLICANTS: Any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral or telephonic communication statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance which such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act.

NOTICE TO KENTUCKY APPLICANTS: Any person who knowingly and with the intent to defraud any Insurance Company or other person files an application for insurance containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.



NOTICE TO LOUISIANA APPLICANTS: Any person who knowingly and with intent to deceive, presents a false or fraudulent claim for payment of a loss or benefit, or knowingly and with intent to deceive, presents false information, that is material to the risk, in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison. Fraud or misrepresentation with the intent to deceive made after the contract is formed is grounds to deny coverage for illegitimate claims and is reason for cancellation, but the insurer must supply coverage for legitimate claims until cancellation is effective.

NOTICE TO MAINE, TENNESSEE, VIRGINIA AND WASHINGTON APPLICANTS: It is a crime to knowingly provide false, incomplete or misleading information to an Insurance Company for the purpose of defrauding the Company. Penalties include imprisonment, fines and denial of insurance benefits.

NOTICE TO MARYLAND APPLICANTS: Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

NOTICE TO MINNESOTA APPLICANTS: A person who files a claim with intent to defraud, or helps commit a fraud against an insurer, is guilty of a crime.

NOTICE TO NEW HAMPSHIRE APPLICANTS: Any person who, with a purpose to injure, defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20.

NOTICE TO NEW JERSEY APPLICANTS: Any person who knowingly files a statement of claim containing any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO NEW MEXICO APPLICANTS: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to civil fines and criminal penalties.

NOTICE TO NEW YORK APPLICANTS: Any person who knowingly and with intent to defraud any Insurance Company or other person files an application for insurance or statement of claims containing any materially false information, or conceals for the purpose of misleading information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.



NOTICE TO OHIO APPLICANTS: Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete, or misleading information is guilty of a felony.

NOTICE TO OREGON APPLICANTS: Any person who, knowingly and with intent to defraud or facilitate a fraud against any insurance company or other person, submits an application, or files a claim for insurance containing any false, deceptive, or misleading material information may be guilty of insurance fraud.

NOTICE TO PENNSYLVANIA APPLICANTS: Any person who knowingly and with intent to defraud any Insurance Company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

NOTICE TO TEXAS APPLICANTS: Any person who knowingly presents a false or fraudulent claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.



TERRORISM & SABOTAGE PHYSICAL DAMAGE WORDING

INSURING CLAUSE

Subject to the exclusions, limits and conditions hereinafter contained, this Insurance insures property as stated in the Schedule attaching and forming part of this Policy (hereinafter referred to as the "Schedule") against physical loss or physical damage occurring during the period of this Policy caused by an Act of Terrorism or Sabotage, as herein defined.

For the purpose of this Insurance, an Act of Terrorism means an act or series of acts, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

For the purpose of this Insurance, an act of sabotage means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

LOSSES EXCLUDED

This Policy does not insure against:-

1. Loss or damage arising directly or indirectly from nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination, however such nuclear detonation, nuclear reaction, nuclear radiation or radioactive contamination may have been caused.
2. Loss or damage occasioned directly or indirectly by war, invasion or warlike operations (whether war be declared or not), hostile acts of sovereign or local government entities, civil war, rebellion, revolution, insurrection, martial law, usurpation of power, or civil commotion assuming the proportions of or amounting to an uprising.
3. Loss by seizure or legal or illegal occupation unless physical loss or damage is caused directly by an Act of Terrorism or an Act of Sabotage.
4. Loss or damage caused by confiscation, nationalization, requisition, detention, embargo, quarantine, or any result of any order of public or government authority which deprives the Insured of the use or value of its property, nor for loss or damage arising from acts of contraband or illegal transportation or illegal trade.



5. Loss or damage directly or indirectly arising from or in consequence of the seepage and or discharge of pollutants or contaminants, which pollutants and contaminants shall include but not be limited to any solid, liquid, gaseous or thermal irritant, contaminant or toxic or hazardous substance or any substance the presence, existence or release of which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

6. Loss or damage arising directly or indirectly from or in consequence of chemical or biological emission, release, discharge, dispersal or escape or chemical or biological exposure of any kind.

7. Loss or damage arising directly or indirectly from or in consequence of asbestos emission, release, discharge, dispersal or escape or asbestos exposure of any kind.

8. Any fine or penalty or other assessment which is incurred by the Insured or which is imposed by any court, government agency, public or civil authority or any other person.

9. Loss or damage by electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorized instructions or code or the use of any electromagnetic weapon. This exclusion shall not operate to exclude losses (which would otherwise be covered under this Policy) arising from the use of any computer, computer system or computer software program or any other electronic system in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

10. Loss or damage caused by vandals or other persons acting maliciously or by way of protest or strikes, labor unrest, riots or civil commotion.

11. Loss or increased cost occasioned by any public or government or local or civil authority's enforcement of any ordinance or law regulating the reconstruction, repair or demolition of any property insured hereunder.

12. Loss or damage caused by measures taken to prevent, suppress or control actual or potential terrorism or sabotage unless agreed by Underwriters in writing prior to such measures being taken.

13. Any consequential loss or damage, loss of use, delay or loss of markets, loss of income, depreciation, reduction in functionality, or increased cost of working.

14. Loss or damage caused by factors including but not limited to cessation, fluctuation or variation in, or insufficiency of, water, gas or electricity supplies and telecommunications or any type of service.

15. Loss or increased cost as a result of threat or hoax.



16. Loss or damage caused by or arising out of burglary, house - breaking, looting, theft or larceny.

17. Loss or damage caused by mysterious disappearance or unexplained loss.

18. Loss or damage directly or indirectly caused by mold, mildew, fungus, spores or other microorganism of any type, nature or description, including but not limited to any substance whose presence poses an actual or potential threat to human health.

PROPERTY EXCLUDED

This Policy does not cover physical loss or physical damage to:

1. Land or land values.
2. Power transmission, feeder lines or pipelines not on the Insured's premises.
3. Any building or structure, or property contained therein, while such building or structure is vacant or unoccupied or inoperative for more than thirty days, unless the property is intended to be unoccupied in its normal operations.
4. Aircraft or any other aerial device, or watercraft.
5. Any land conveyance, including vehicles, locomotives or rolling stock, unless such land conveyance is declared hereon and solely whilst located at the property insured herein at the time of its damage.
6. Animals, plants and living things of all types.
7. Property in transit not on the Insured's premises.

CONDITIONS

1. JOINT INSURED

The Underwriters' total liability for any loss or losses sustained by any one or more of the Insureds under this Insurance will not exceed the sum insured shown in the Schedule. The Underwriters shall have no liability in excess of the sum insured whether such amounts consist of insured losses sustained by all of the Insureds or any one or more of the Insureds.



2. OTHER INSURANCE

This Policy shall be excess of any other insurance available to the Insured covering a loss covered hereunder except such other insurance which is written specifically as excess insurance over this Policy. When this Policy is written specifically in excess of other insurance covering the peril insured hereunder, this Policy shall not apply until such time as the amount of the underlying insurance, (whether collectible or not), has been exhausted by loss and damage covered by this Policy in excess of the deductible with respect to each and every covered loss.

3. SITUATION

This Policy insures property located at the addresses stated in the Schedule.

4. SUM INSURED

The Underwriters hereon shall not be liable for more than the sum insured stated in the Schedule in respect of each occurrence and in the Policy aggregate.

5. DEDUCTIBLE

Each occurrence shall be adjusted separately and from each such amount the sum stated in the Schedule shall be deducted.

6. OCCURRENCE

The term "Occurrence" shall mean any one loss and/or series of losses arising out of and directly occasioned by one Act or series of Acts of Terrorism or Sabotage for the same purpose or cause. The duration and extent of anyone "Occurrence" shall be limited to all losses sustained by the Insured at the property insured herein during any period of 72 consecutive hours arising out of the same purpose or cause. However, no such period of 72 consecutive hours may extend beyond the expiration of this Policy unless the Insured shall first sustain direct physical damage by an Act of Terrorism or an Act of Sabotage prior to expiration and within said period of 72 consecutive hours nor shall any period of 72 consecutive hours commence prior to the attachment of this Policy.

7. DEBRIS REMOVAL

This Policy also covers, within the sum insured, expenses incurred in the removal from the insured location of debris of property stated in the Schedule damaged by an Act of Terrorism or an Act of Sabotage.

The cost of removal of debris shall not be considered in determination of the valuation of the property



covered.

8. DUE DILIGENCE

The Insured (or any of the Insured's agents, sub or co-contractors) must use due diligence and do (and concur in doing and permit to be done) everything reasonably practicable, including but not limited to taking precautions to protect or remove the insured property, to avoid or diminish any loss herein insured and to secure compensation for any such loss including action against other parties to enforce any rights and remedies or to obtain relief or indemnity.

9. PROTECTION MAINTENANCE

It is agreed that any protection provided for the safety of the property insured shall be maintained in good order throughout the currency of this Policy and shall be in use at all relevant times, and that such protection shall not be withdrawn or varied to the detriment of the interests of the Underwriters without their consent.

10. VALUATION

It is understood that, in the event of damage, settlement shall be based upon the cost of repairing, replacing or reinstating (whichever is the least) property on the same site, or nearest available site (whichever incurs the least cost) with material of like kind and quality without deduction for depreciation, subject to the following provisions: -

The repairs, replacement or reinstatement (all hereinafter referred to as "replacement") must be executed with due diligence and dispatch; Until replacement has been effected the amount of liability under this Policy in respect of loss shall be limited to the actual cash value at the time of loss; If replacement with material of like kind and quality is restricted or prohibited by any by-laws, ordinance or law, any increased cost of replacement due thereto shall not be covered by this Policy.

The Underwriters' liability for loss under this Policy shall not exceed the smallest of the following amounts: -

- The Policy limit applicable to the destroyed or damaged property,
- The replacement cost of the property or any part thereof which was intended for the same occupancy and use, as calculated at the time of the loss,
- The amount actually and necessarily expended in replacing said property or any part thereof. The Underwriters will normally expect the Insured to carry out repair or replacement of the insured



property, but if the Insured and the Underwriters agree that it is not practicable or reasonable to do this, the Underwriters will pay the Insured an amount based on the repair or replacement costs, less an allowance for fees and associated costs which are not otherwise incurred.

- The Underwriters will only pay the Insured up to the Sum Insured shown in the Schedule.

11. INCORRECT DECLARATION PENALTY

If the values declared as stated in the Schedule are less than the correct insured values as determined above, then any recovery otherwise due hereunder shall be reduced in the same proportion that the values declared bear to the values that should have been declared, and the Insured shall co-insure for the balance.

12. NOTIFICATION OF CLAIMS

The Insured, upon knowledge of any occurrence likely to give rise to a claim hereunder, shall give written advice as soon as reasonably practicable to the Underwriters and or the Broker, named for that purpose in the Schedule, who is to advise the Underwriters within seven (7) days of such knowledge of any occurrence and it is a condition precedent to the liability of Underwriters that such notification is given by the Insured as provided for by this Policy.

If the Insured makes a claim under this Insurance he must give the Underwriters such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim. If required by the Underwriters, the Insured must submit to examination under oath by any person designated by the Underwriters.

13. PROOF OF LOSS

The Insured shall render a signed and sworn proof of loss within sixty (60) days after the occurrence of a loss (unless such period be extended by the written agreement of Underwriters) stating the time, place and cause of loss, the interest of the Insured and all others in the property, the sound value thereof and the amount of loss or damage thereto.

If the Underwriters have not received such proof of loss within two years of the expiry date of this Policy, they shall be discharged from all liability hereunder.

In any claim and/or action, suit or proceeding to enforce a claim for loss under this Policy, the burden of proving that the loss is recoverable under this Policy and that no limitation or exclusion of this Policy applies and the quantum of loss shall fall upon the Insured.



14. SUBROGATION

Any release from liability entered into in writing by the Insured prior to loss hereunder shall not affect this Policy or the right of the Insured to recover hereunder. The right of subrogation against any of the Insured's subsidiary or affiliated companies or any other companies associated with the Insured through ownership or management is waived;

In the event of any payment under this Policy, the Underwriters shall be subrogated to the extent of such payment to all the Insured's right of recovery therefor. The Insured shall execute all papers required, shall cooperate with Underwriters and, upon the Underwriters' request, shall attend hearings and trials and shall assist in effecting settlements, securing and giving evidence, attaining the attendance of witnesses and in the conduct of suits and shall do anything that may be necessary to secure such right. The Underwriters will act in concert with all other interests concerned (including the Insured) in the exercise of such rights of recovery. If any amount is recovered as a result of such proceedings, such amount shall be distributed in the following priorities:

- (i) Any interest, (including the Insured's), exclusive of any deductible or self-insured retention, suffering a loss of the type covered by this Policy and in excess of the coverage under this Policy shall be reimbursed up to the amount of such loss (excluding the amount of the deductible);
- (ii) Out of the balance remaining, the Underwriters shall be reimbursed to the extent of payment under this Policy;
- (iii) The remaining balance, if any, shall inure to the benefit of the Insured, or any insurer providing insurance primary to this Policy, with respect to the amount of such primary insurance, deductible, self-insured retention, and/or loss of a type not covered by this Policy.

The expense of all proceedings necessary to the recovery of any such amount shall be apportioned between the interests concerned, including that of the Insured, in the ratio of their respective recoveries as finally settled. If there should be no recovery and proceedings are instituted solely on the initiative of Underwriters, the expense thereof shall be borne by the Underwriters.

15. SALVAGE AND RECOVERIES

All salvages, recoveries and payments recovered or received subsequent to a loss settlement under this Policy shall be applied as if recovered or received prior to the said settlement and all necessary adjustments shall be made by the parties hereto.

16. FALSE OR FRAUDULENT CLAIMS

If the Insured shall make any claim knowing the same to be false or fraudulent, as regards amount or



otherwise, this Policy shall become void and all claims and benefit hereunder shall be forfeited.

17. MISREPRESENTATION

If the Insured has concealed or misrepresented any material fact or circumstance relating to this Insurance, this Insurance shall become void. If the Insured is unsure what constitutes material fact(s) or circumstance(s), they should consult their broker or agent.

18. ABANDONMENT

There shall be no abandonment to the Underwriters of any property.

19. INSPECTION AND AUDIT

The Underwriters or their agents shall be permitted but not obligated to inspect the Insured's property at any time. Neither the Underwriters' right to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe. The Underwriters may examine and audit the Insured's books and records at any time up to two years after the final termination of this Policy, as far as they relate to the subject matter of this Insurance.

20. ASSIGNMENT

Assignment or transfer of this Policy shall not be valid except with the prior written consent of the Underwriters.

21. RIGHTS OF THIRD PARTIES EXCLUSION

This Policy is effected solely between the Insured and the Underwriters.

This Policy shall not confer any benefits on any third parties, including shareholders, and no such third party may enforce any term of this Policy. This clause shall not affect the rights of the Insured.

22. CANCELLATION

This Policy shall be non-cancellable by the Underwriters or the Insured except in the event of nonpayment of premium where the Underwriters may cancel the Policy at their discretion.

In the event of non-payment of premium this Policy may be cancelled by or on behalf of the Underwriters by delivery to the Insured or by mailing to the Insured or the Broker by registered, certified, or other first class mail, at the Insured's address as shown in this Policy, written notice stating when, not less than fifteen (15) days thereafter, the cancellation shall be effective. The



mailing of such notice shall be sufficient proof of notice and this Policy shall terminate at the date and hour specified in such notice.

If the period of limitation relating to the giving of notice is prohibited or made void by any law controlling the construction thereof, such period shall be deemed to be amended so as to be equal to the minimum period of limitation permitted by such law.

23. ARBITRATION

If the Insured and Underwriters fail to agree in whole or in part regarding any aspect of this Policy, each party shall, within ten (10) days after the demand in writing by either party, appoint a competent and disinterested arbitrator and the two (2) chosen shall before commencing the arbitration select a competent and disinterested umpire.

The arbitrators together shall determine such matters in which the Insured and Underwriters shall so fail to agree and shall make an award thereon and the award in writing of any two(2), duly verified, shall determine the same, and if they fail to agree, they will submit their differences to the umpire. The parties to such arbitration shall pay the arbitrators respectively appointed by them and bear equally the expenses of the arbitration and the charges of the umpire.

24. SEVERAL LIABILITY

The Underwriters' obligations under this Policy are several and not joint and are limited solely to their individual subscriptions. The Underwriters are not responsible for the subscription of any subscribing Underwriter who for any reason does not satisfy all or part of its obligations.

25. LEGAL ACTION AGAINST UNDERWRITERS

No one may bring a legal action against Underwriters unless:

There has been full compliance by the Insured with all of the terms of this Policy; and
The action is brought within two (2) years after the expiry or cancellation of this Policy.

26. MATERIAL CHANGES

The Insured shall notify the Underwriters of any change of circumstances which would materially affect this Insurance.

27. EXPERTS FEES

This Insurance includes, within the sum insured, the necessary and reasonable fees of architects, surveyors, consulting engineers and other professional experts which are incurred in reinstating or



repairing the insured property following damage insured under this Policy.

28. LAW

As specified in the Schedule.

29. JURISDICTION

As specified in the Schedule.

30. SERVICE OF SUIT

This Service of Suit Clause is only applicable to Insureds domiciled in the USA.

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in the Arbitration provision within this Policy. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this contract of insurance. It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured, will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon underwriters representatives stated in the Schedule and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured to give a written undertaking to the Insured that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above-named as the person to



whom the said officer is authorized to mail such process or a true copy thereof.

31. NON-USA LEGAL SERVICE

Any summons, notice or process to be served upon the Underwriters for the purpose of instituting any legal proceedings against them in connection with this insurance may be served upon of who have authority to accept service on their behalf.



TERRORISM & SABOTAGE BUSINESS INTERRUPTION EXTENSION

In consideration of the premium paid, and subject to the EXCLUSIONS, CONDITIONS AND LIMITATIONS of the Policy to which this Extension is attached, and also to the FOLLOWING ADDITIONAL CONDITIONS, EXCLUSIONS AND LIMITATIONS, this Policy is extended to cover loss resulting from necessary Interruption of Business caused by Direct Physical Loss or Damage, as covered by the Policy to which this Extension is attached, to the Property Insured.

In the event of such Direct Physical Loss or Damage, the Underwriters shall be liable for the actual loss sustained by the Insured resulting directly from such necessary Interruption of Business, but not exceeding the reduction in Gross Earnings, as defined hereafter, less charges and expenses which are not necessary during the Interruption of Business, for a period not to exceed the lesser of:-

- a) such length of time as would be required, with the exercise of due diligence and dispatch, to repair, rebuild or replace such part of the property as has been destroyed or damaged,
- or
- b) eighteen (18) calendar months,

commencing with the date of such Direct Physical Loss or Damage and not limited by the expiration of this Policy.

Due consideration shall be given to the continuation of normal charges and expenses, including payroll expenses, to the extent necessary to resume operations of the Insured with the same operational capability as existed immediately before the loss.

CONDITIONS

1. DIRECT LOSS OR DAMAGE

No claim shall be payable under this Extension unless and until a claim has been paid, or liability admitted, in respect of Direct Physical Loss or Damage to Property Insured under the Policy to which this Extension is attached and which gave rise to Interruption of Business.



This Condition shall not apply if no such payment shall have been made, or liability admitted, solely owing to the operation of a Deductible in said Policy which excludes liability for losses below a specified amount.

2. VALUES DECLARED (AND INOCRRRECT DECOLORATION PENALTY)

The premium for this Extension has been based on a statement of individual values declared to and agreed by the Underwriters at the inception of the Policy and stated in the Schedule.

If any of the individual values declared are less than the equivalent amount of the Co-insurance percentage, as stated in the Schedule, of the Interruption of Business values, then any recovery otherwise due hereunder shall be reduced in the same proportion that the individual value(s) declared bear to the value(s) that should have been declared and the Insured shall co-insure for the balance.

3. RESUMPTION OF OPERATIONS

If the Insured could reduce the loss resulting from the Interruption of Business,

- a) by complete or partial resumption of operation of the property,
and/or
- b) by making use of Merchandise, Stock (Raw, In Process or Finished), or any other property at the Insured's locations or elsewhere,
and/or
- c) by using or increasing operations elsewhere,

then such possible reduction shall be taken into account in arriving at the amount of loss hereunder.

4. EXPENSES TO REDUCE LOSS

This Extension also covers such expenses as are necessarily incurred for the purpose of reducing loss under this Extension (except expenses incurred to extinguish a fire), and, in respect of manufacturing risks, such expense, in excess of Normal, as would necessarily be incurred in replacing any Finished Stock used by the Insured to reduce loss under this Extension; but in no event to exceed the amount by which loss under this Extension is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.



EXCLUSIONS

This Extension does not insure against:-

1. increase in loss resulting from interference at the insured premises, by strikers or other persons, with rebuilding, repairing or replacing the property or with the resumption or continuation of operation;
2. increase in loss caused by the suspension, lapse, or cancellation of any lease, licence, contract, or order, unless such results directly from the insured Interruption of Business, and then Underwriters shall be liable for only such loss as affects the Insured's earnings during, and limited to, the period of indemnity covered under this Policy;
3. increase in loss caused by the enforcement of any ordinance or law regulating the use, reconstruction, repair or demolition of any property insured hereunder;
4. loss of market or any other consequential loss.

LIMITATIONS

1. The Underwriters shall not be liable for more than the smaller of either:-
 - a) any specific Business Interruption Sum Insured stated in the Schedule,
 - or
 - b) the Sum Insured stated in the Schedule, where such includes Business Interruption, if such is a combined limit,

in respect of such loss, regardless of the number of locations suffering an interruption of business as a result of any one occurrence.
2. With respect to loss resulting from damage to or destruction of media for, or programming records pertaining to, electronic data processing or electronically controlled equipment, by the perils insured against, the length of time for which the Underwriters shall be liable hereunder shall not exceed:-
 - a) thirty (30) consecutive calendar days or the time required with exercise of due diligence and dispatch to reproduce the data thereon from duplicates or from originals of the previous generation, whichever is less; or,



- b) the length of time that would be required to rebuild, repair or replace such other property herein described as has been damaged or destroyed, but not exceeding eighteen (18) calendar months, whichever is the greater length of time.

DEFINITIONS

1. **Gross Earnings** are for the assessment of premium and for adjustment in the event of loss defined as,

The sum of:-

- a) total net sales value of production or sales of Merchandise,
and
 - b) other earnings derived from the operations of the business,
- less the cost of
- c) Raw Stock from which production is derived,
 - d) supplies consisting of materials consumed directly in the conversion of such Raw Stock into Finished Stock, or in supplying the services sold by the Insured,
 - e) Merchandise sold including packaging materials therefor,
 - f) materials and supplies consumed directly in supplying the service(s) sold by the Insured,
 - g) service(s) purchased from outsiders (not employees of the Insured) for resale which do not continue under contract,
 - h) the difference between the cost of production and the nett selling price of Finished Stock which has been sold but not delivered.

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had loss not occurred.



2. **Raw Stock:** Material in the state in which the Insured receives it for conversion into Finished Stock.
3. **Stock in Process:** Raw Stock which has undergone any ageing, seasoning, mechanical or other process of manufacture at the Insured's premises but which has not become Finished Stock.
4. **Finished Stock:** Stock manufactured by the Insured which in the ordinary course of the Insured's business is ready for packing, shipment or sale.
5. **Merchandise:** Goods kept for sale by the Insured which are not the product of manufacturing operations conducted by the Insured.
6. **Normal:** The condition that would have existed had no loss occurred.



POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), insurance coverage provided by this Policy includes losses arising out of acts of terrorism, as defined in Section 102(1) of the Act, as amended: The term "act of terrorism" means any act that is certified by the United States Secretary of the Treasury, in consultation with the United States Secretary of Homeland Security and the United States Attorney General, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy, whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.



Endorsement No.: 1

MOSAIC AMERICAS INSURANCE SERVICES LLC
ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

SANCTIONS EXCLUSION ENDORSEMENT

In consideration of the premium charged, it is hereby understood and agreed that:

Notwithstanding any other terms under this Policy, the **Insurer** shall not be liable to provide any coverage or provide any benefit under this Policy to the extent that the provision of such coverage or benefit would expose the **Insurer** to any sanction, prohibition, or restriction under United Nations resolutions or any economic or trade sanctions laws or regulations, including, but not limited to, those enforced and/or administered by the United States Treasury Department's Office of Foreign Assets Control (OFAC).

All other terms, conditions, and exclusions of this Policy remain unchanged.



Endorsement No.: 2

MOSAIC AMERICAS INSURANCE SERVICES LLC
ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

SANCTION LIMITATION AND EXCLUSION CLAUSE

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.



Endorsement No.: 3

MOSAIC AMERICAS INSURANCE SERVICES LLC
ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

(RE)INSURERS SEVERAL LIABILITY CLAUSE

The liability of a (re)insurer under this contract is several and not joint with other (re)insurers party to this contract. A (re)insurer is liable only for the proportion of liability it has underwritten. A (re)insurer is not jointly liable for the proportion of liability underwritten by any other (re)insurer. Nor is a (re)insurer otherwise responsible for any liability of any other (re)insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by a (re)insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is a (re)insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other (re)insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where the circumstances so require this should be read as a reference to contracts in the plural.



Endorsement No.: 4

MOSAIC AMERICAS INSURANCE SERVICES LLC
ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

COMMUNICABLE DISEASE EXCLUSION (PROPERTY TREATY REINSURANCE)

1. Notwithstanding any provision to the contrary within this reinsurance agreement, this reinsurance agreement excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - 2.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - 2.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - 2.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.



Endorsement No.: 5

MOSAIC AMERICAS INSURANCE SERVICES LLC
ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

**INSTITUTE RADIOACTIVE CONTAMINATION, CHEMICAL, BIOLOGICAL, BIO-CHEMICAL AND
ELECTROMAGNETIC WEAPONS EXCLUSION CLAUSE**

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

1.1 ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel

1.2 the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof

1.3 any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter

1.4 the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes

1.5 any chemical, biological, bio-chemical, or electromagnetic weapon.



Endorsement No.: 6

MOSAIC AMERICAS INSURANCE SERVICES LLC
ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

CYBER and DATA EXCLUSION
(for use with Terrorism and Political Violence Policies)

Notwithstanding anything to the contrary within this contract of insurance ("Contract") or any endorsement thereto, this Contract does not cover loss or damage directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1. any electronic means including but not limited to computer hacking or the introduction of any form of computer virus or corrupting or unauthorised instructions or code or the use of any electromagnetic weapon;
2. any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

Subject to all the terms and conditions of this Contract, this exclusion shall not operate to exclude physical loss or physical damage to property insured under this Contract arising from the use of any computer system or program in the launch and/or guidance system and/or firing mechanism of any weapon or missile.

In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

This endorsement supersedes and, if in conflict with any other wording in the Contract or any endorsement thereto having a bearing on loss or damage by electronic means or Data, replaces that wording.

Definitions:

1. Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
2. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

All other terms and conditions remain unaltered.



Endorsement No.: 7

MOSAIC AMERICAS INSURANCE SERVICES LLC

ADMINISTRATOR FOR ASTA MANAGING AGENCY – LLOYDS SYNDICATE 1609

RESTRICTED ZIP CODE ENDORSEMENT

All location adjustments to be made quarterly at rates agreed by the Underwriter. However, if a location is being added in one or more of the following zip codes then it must be submitted to the Underwriter for prior agreement and pricing before cover is given:

New York: All zip codes within Manhattan, south of Central Parkway North (110th Street).

San Francisco: 94101 through 94105, 94107 through 94112, 94114 through 94118, 94121 through 94124, 94127, 94129, 94131 through 94134.

Chicago: 60601 through to 60611.

Washington DC: 20001, 20004 through 20006, 20024, 20036, 20037, 20373, 56901, 56920.

Boston: 02199, 02110, 02112, 02115, 02116.

Seattle: 98101.

Canada: Toronto: M5, **Montreal:** H3, **Vancouver:** V7, **Calgary:** T2

ABOUT MOSAIC

Mosaic is a next-generation, global specialty insurer harnessing visionary leadership, exceptional underwriting talent, a focus on complex product lines, and a digitized operating model.

Coupling Lloyd's Syndicate 1609 with a wholly-owned syndicated capital management agency, Mosaic is uniquely positioned to offer capacity and custom service to clients in markets around the world.

We leverage the legacy of Lloyd's, along with the market's global license network and financial-strength ratings.

mosaicinsurance.com



@Mosaic1609

OUR RATINGS

A+ Strong Standard & Poor's	A Excellent AM Best	AA- Very strong Fitch Ratings
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NO FLAT CANCELLATION

This Declaration Page is attached to and forms part of Certificate Provisions.

Previous Account No. <u>1109096</u>	Account ID <u>1207385</u>
Name and address of the Insured	Producer
City of Baton Rouge Parish of East Baton Rouge, Greater Baton Rouge Airport District	Amwins Insurance Brokerage, LLC
DBA: The Baton Rouge Metropolitan Airport	88 Pine Street 6th Floor
9430 Jackie Cochran Dr.	New York, NY 10005
Baton Rouge, LA 70807	
Effective From <u>01/01/2025</u> To <u>01/01/2026</u>	
Both days at 12:01 a.m. standard time at the Insured's mailing address.	
Insurance is effective with: Insurer(s) as stated on Form AR CA - Contract Allocation Endorsement	

This Policy consists of the following coverage parts for which a premium is indicated - This premium may be subject to adjustment.

COMMERCIAL PROPERTY COVERAGE PART	Certificate/Policy No.		Premium
Certain Underwriters at Lloyds, London	AMR-61699-07	Property	\$ 369,850
One Lime Street, London EC3M 7HA		TRIA	\$ 0
c/o Amwins Global Risks Limited, 22 Bishopsgate, London EC2N 4BQ, United Kingdom			
Indian Harbor Insurance Company	AMP7549142-00	Property	\$ 16,600
505 Eagleview Blvd., Suite 100; Dept: Regulatory		TRIA	\$ 0
Exton, PA 19341-1120			
Old Republic Union Insurance Company	ORAMPR003244-07	Property	\$ 28,050
370 North Michigan Avenue		TRIA	\$ 0
Chicago, IL 60601			
GeoVera Specialty Insurance Company	GVS-10080-04	Property	\$ 110,669
1455 Oliver Road		TRIA	\$ 0
Fairfield, CA 94534			
MS Transverse Specialty Insurance Company	TSAMPR0006416-03	Property	\$ 276,672
15 Independence Blvd, Suite 430		TRIA	\$ 0
Warren, NJ 07059			
Spinnaker Specialty Insurance Company	SPI-14134-02	Property	\$ 27,667
1 Pluckemin Way, Suite 102		TRIA	\$ 0
Bedminster, NJ 07921			
Everest Indemnity Insurance Company	AMEI005810-25-00	Property	\$ 19,367
100 Everest Way		TRIA	\$ 0
Warren, New Jersey 07059			

Property MULTIPLE

Louisiana Premium: \$848,875.00
 Fees: \$19,978.00
 Surplus Lines Tax:

Inspection Fee	\$ 3,000
Program Fee	\$ 16,978
Total	\$ 868,853.00

Minimum Earned Premium = \$ 297,106

Dated 01/23/25 By

Correspondent and/or Program Manager for the Company(ies)
 AmRisc, LLC, 1700 City Plaza Dr., Suite 200, Spring, TX 77389

State stamp if applicable
 CERTCO 01 24

The Correspondent and/or Program Manager is not an Insurer hereunder and neither is nor shall be liable for any loss or claim whatsoever.

POLICY NUMBER: MULTIPLE

INSURED NAME: City of Baton Rouge Parish of East Baton Rouge

POLICY PERIOD: 01/01/2025 To 01/01/2026

NOTICE:

This insurance policy is delivered as surplus lines coverage under the Louisiana Insurance Code.

In the event of insolvency of the company issuing this contract, the policyholder or claimant is not covered by the Louisiana Insurance Guaranty Association or the Louisiana Life and Health Insurance Guaranty Association, which guarantees only specific types of policies issued by insurance companies authorized to do business in Louisiana.

This surplus lines policy has been procured by the following licensed Louisiana surplus lines broker:



Signature of the Licensed Louisiana Surplus Lines Broker or
Authorized Representative

Amwins Insurance Brokerage, LLC

Printed Name of Licensed Louisiana Surplus Lines Broker

SCHEDULE OF FORMS AND ENDORSEMENTS

Account No.
1207385

NAMED INSURED
City of Baton Rouge Parish of East Baton Rouge, Greater Baton Rouge Airport District

Forms and Endorsements

CERTCO	DECLARATION PAGE
FORMS SCHEDULE	SCHEDULE OF FORMS AND ENDORSEMENTS
CHANGE END PAGE	POLICY ENDORSEMENT PAGE
AR CA	CONTRACT ALLOCATION ENDORSEMENT
COMPASS CCP	CAT COVERED PROPERTY ENDORSEMENT
COMPASS SUP DECL 05 24	COMPASS SUPPLEMENTAL DECLARATIONS
COMPASS 05 24	COMPASS COMMERCIAL PROPERTY FORM
AR Compass Change PCDE 05 24	COMPASS CHANGE - PROPERTY CYBER AND DATA ENDORSEMENT
LLOYDS SOS	LLOYDS OF LONDON AMENDATORY ENDT
XL CW SOP	INDIAN HARBOR INSURANCE COMPANY SERVICE OF PROCESS ENDT
PN CW 01	FRAUD NOTICE
ILP001 01 04	OFAC
IMA3100A 5Oct2023	SANCTIONS LIMITATION CLAUSE
VRS COS SOS	VARIOUS COMPANIES SERVICE OF SUIT CLAUSES ENDT
Spinnaker SOS	SPINNAKER SERVICE OF SUIT CLAUSE ENDT
ECP 00 013	EVEREST METHOD OF CLAIM NOTICE AND SERVICE OF SUIT CONDITIONS
AR CYBER	CYBER SUITE COVERAGE
AR COMPASS SINKHOLE 05 24	COMPASS SINKHOLE LOSS EXTENSION
AR FLD	FLOOD ZONE DESIGNATION ENDT
LSW1667A 01.01.10-LA SLN	LOUISIANA NOTICES
AR CRD	COSMETIC ROOF DAMAGE RESTRICTION ENDT
AR CAC	CONTACT AND COMPLAINTS NOTICE
AR CRA SDA	CLAIMS REPORTING AND ADJUSTMENT - SEDGWICK
AR TRIA EXCL	EXCLUSION OF CERTIFIED ACTS OF TERRORISM ENDT

Additional Miscellaneous Forms

(The Attaching Clause needs to be completed only when this endorsement is issued subsequent to preparation of the policy.)

ENDORSEMENT 1

This endorsement, effective on 01/01/2025, at 12:01 A.M. standard time, forms a part of:
Account No. 1207385

Certain Underwriters at Lloyds, London
Indian Harbor Insurance Company
Old Republic Union Insurance Company
GeoVera Specialty Insurance Company
MS Transverse Specialty Insurance Company
Spinnaker Specialty Insurance Company
Everest Indemnity Insurance Company

AMR-61699-07
AMP7549142-00
ORAMPR003244-07
GVS-10080-04
TSAMPR0006416-03
SPI-14134-02
AMEI005810-25-00

Issued to: City of Baton Rouge Parish of East Baton Rouge, Greater Baton Rouge Airport District

By: See Contract Allocation Endorsement AR CA



Authorized Representative

1. Limits are as per Schedule by Building, NOT blanket.
2. The following sublimit shall apply:

\$As Per Schedule	Per Occurrence as regards Equipment listed on the separate Equipment Schedule of Values on file with the Program Manager; Excludes Over the Road coverage.
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3. Replacement Cost Valuation shall apply as regards to Real & Personal Property; Except:
 - a) Roof coverings to be Actual Cash Value if originally installed or last fully replaced prior to 2013;
 - b) As respects the Equipment listed on the separate Equipment Statement of Values on file with the Program Manager, with a Total Insurable Value of \$2,852,316:
 - Actual Cash Value for any items older than 5 years;
 - Replacement Cost Value for any items 5 years or newer;
 - Four (4) Fire Trucks to be Replacement Cost Value, not to exceed the reported value.
4. All Buildings with outstanding damage are excluded. Contact Underwriter if waiver needed.
5. Any additional premium or return premium under \$500 shall be waived, except for new perils or coverages added.
6. The complete Named Insured listing (if any) is per schedule on file with the Program Manager.

CONTRACT ALLOCATION ENDORSEMENT

Effective Date: 1/1/2025

his insurance is effected with certain insurance underwriters (hereinafter called the "Underwriters"). The following words shall be deemed to be synonymous: "Underwriters", "Insurers" and "Company".

he liability of each Underwriter on this contract with the Insured is limited to the participation amount shown in the schedule below. he liability of each separate contract listed and for each Underwriter represented thereby for any loss or losses or amounts payable several as to each and shall not exceed its participation percentage shown below and there is no joint liability of any Underwriters pursuant to this contract. An Underwriter shall not have its liability hereunder increased or decreased by reason of failure or delay of another Underwriter, its successors, assigns, or legal representatives. Any loss otherwise payable under the provisions of the attached policy that exceeds the allocation of "Risk" as defined herein shall be borne proportionately by the contracts as to their unit of liability at the time and place of the loss bears to the total allocated limits herein.

his contract shall be constructed as a separate contract between the Insured and each of the Underwriters. This evidence of coverage consists of separate sections of a composite insurance for all Underwriter's at Lloyd's combined and separate policies issued by the insurance company(ies), all as identified below. This evidence of coverage does not constitute in any manner or form joint certificate of coverage by Underwriter's at Lloyd's with any other insurance company(ies).

witness whereof, the following Underwriters execute and attest these presents, and subscribe for the amount of insurance provided.

the security is as noted below.

LAYER OF PARTICIPATION	PERILS (AS PER POLICY)	CONTRACT #	COMPANY CODE	POLICY # / CERTIFICATE #	PARTICIPATION	rate
\$100,000 excess of Deductibles	CYB	ORU24	ORU	ORAMPR003244-07	\$100,000	100.0000% \$0.000
\$5,000,000 excess of Deductibles	F	B123024AMR1063	Lloyds	AMR-61699-07	\$5,000,000	100.0000% \$0.190
\$5,000,000 excess of Deductibles	Q	B123024AMR1063	Lloyds	AMR-61699-07	\$5,000,000	100.0000% \$0.001
\$60,000,000 excess of Deductibles	AR EXCL NW	ELIC24	ELIC	AMEI005810-25-00	\$2,100,000	3.5000% \$0.100
\$60,000,000 excess of Deductibles	NW	ELIC24	ELIC	AMEI005810-25-00	\$2,100,000	3.5000% \$0.258
\$60,000,000 excess of Deductibles	AR EXCL NW	XLA/24	IndianH	AMP7549142-00	\$1,800,000	3.0000% \$0.100
\$60,000,000 excess of Deductibles	NW	XLA/24	IndianH	AMP7549142-00	\$1,800,000	3.0000% \$0.258
\$60,000,000 excess of Deductibles	AR EXCL NW	B123025AMR1348	Lloyds	AMR-61699-07	\$3,000,000	5.0000% \$0.100
\$60,000,000 excess of Deductibles	AR EXCL NW	B123025AMR252-2	Lloyds	AMR-61699-07	\$5,100,000	8.5000% \$0.100
\$60,000,000 excess of Deductibles	NW	B123025AMR1348	Lloyds	AMR-61699-07	\$3,000,000	5.0000% \$0.258
\$60,000,000 excess of Deductibles	NW	B123025AMR252-1	Lloyds	AMR-61699-07	\$5,100,000	8.5000% \$0.258
\$60,000,000 excess of Deductibles	AR EXCL NW	GVS24	GVS	GVS-10080-04	\$12,000,000	20.0000% \$0.100
\$60,000,000 excess of Deductibles	NW	GVS24	GVS	GVS-10080-04	\$12,000,000	20.0000% \$0.258
\$60,000,000 excess of Deductibles	AR EXCL NW	ORU24	ORU	ORAMPR003244-07	\$3,000,000	5.0000% \$0.100
\$60,000,000 excess of Deductibles	NW	ORU24	ORU	ORAMPR003244-07	\$3,000,000	5.0000% \$0.258
\$60,000,000 excess of Deductibles	AR EXCL NW	SPI24	SPI	SPI-14134-02	\$3,000,000	5.0000% \$0.100
\$60,000,000 excess of Deductibles	NW	SPI24	SPI	SPI-14134-02	\$3,000,000	5.0000% \$0.258
\$60,000,000 excess of Deductibles	AR EXCL NW	TRVA24	TSIC	TSAMPR0006416-03	\$21,000,000	35.0000% \$0.100
\$60,000,000 excess of Deductibles	AR EXCL NW	TSIC25	TSIC	TSAMPR0006416-03	\$9,000,000	15.0000% \$0.100
\$60,000,000 excess of Deductibles	NW	TRVA24	TSIC	TSAMPR0006416-03	\$21,000,000	35.0000% \$0.258
\$60,000,000 excess of Deductibles	NW	TSIC25	TSIC	TSAMPR0006416-03	\$9,000,000	15.0000% \$0.258

LOCATION OF LIABILITY:

he contracts herein cover mutually exclusive perils. The maximum limit of liability is not to exceed the per occurrence participation stated herein, regardless of whether multiple perils and multiple contracts are involved. Recognition of liability by either of the contracts reduces the limit of liability of any corresponding contract.

he liability otherwise determined to exist under the terms and conditions of this policy shall be borne by the contract covering the proximate cause of loss identified in the allocation of security. Any loss covered by the policy by a peril not allocated to a contract herein shall be borne by the contract covering the most comprehensive perils, generally in accordance with the ISO Special Causes of Loss Contracts. The liability of the policy shall not be increased or decreased by any condition of the allocation to specific contracts on this endorsement.

covered perils shall be defined by the applicable forms attached to this policy or otherwise as per the industry standard definition.

SYMBOLS USED HEREIN:	CAUSE OF LOSS	SYMBOL	CODE	COMPANY
	Basic	BA	Lloyds	Certain Underwriters at Lloyds
	Broad	BR	IndianH	Indian Harbor Insurance Company
	Special	SP	ORU	Old Republic Union Insurance Company
	All Risk excl F/Q	AR	GVS	GeoVera Specialty Insurance Company
	Difference in Conditions	DIC	TSIC	MS Transverse Specialty Insurance Company
	Windstorm and Hail	WH	SPI	Spinnaker Specialty Insurance Company
	Named Windstorm	NW	EIIC	Everest Indemnity Insurance Company
	All Other Windstorm	AOW		
	Named Storm Flood	NF		
	Flood	F		
	All Other Flood	AOF		
	Earthquake	Q		
	Terrorism Coverages (T3)	T		
	Certified Terrorism as Defined by TRIA, if available	T1		
	Non-Certified Terrorism	T2		
	Equipment Breakdown	EBD		
	Excluding	EXCL		
	Including	INCL		
	Cyber/Data Compromise or Cyber Suite	CYB		

"Risk" as per contract terms, shall be defined as follows:

Risk	Basis of Limits
Flood and Earthquake	Any One Occurrence and Aggregate
Named Windstorm	
Wind and Hail EXCL NW	
All Other Perils EXCL F, Q	
T, T1 and T2	
Maximum "Risk" is defined as	Any One Occurrence

This schedule forms a part of the original Account # **1207385**

by

Authorized Signature

CERTAIN UNDERWRITER'S AT LLOYD'S, LONDON - Syndicate List

If Certain Underwriter's at Lloyd's, London are listed as security on the Contract Allocation Endorsement attached to the policy, the list of syndicates is shown below:

Account #: 1207385

Certificate #: AMR-61699-07

Syndicate Number	Syndicate Abbreviation
2987	BRT
510	KLN
4242	BEA
9029	KII
5886	WBC
1886	QBP
510	KLN
727	SAM
1200	AMA
2010	MMX
609	AUW
2987	BRT
1969	APL
1618	KII
1680	TMK
318	CGU
457	MRS
2623	AFB
5886	WBC
609	AUW
1856	IOU
1200	AMA
2010	MMX
623	AFB
727	SAM
1886	QBP
1969	APL
2623	AFB
623	AFB

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAT COVERED PROPERTY ENDORSEMENT

This endorsement modifies insurance provided by all insurance companies and Lloyd's of London (all hereinafter, the "Companies"), subject to the Contract Allocation Endorsement AR CA, under the following form (if attached to this policy):

COMPASS COMMERCIAL PROPERTY FORM

As used in this endorsement, the word "peril" is synonymous with "cause of loss"; and the term "limit of liability" is synonymous with "limit of insurance". The word "you" shall refer to the Insured.

As respects the Perils of Hurricane, Windstorm and Hail, the following is added to Section III.B., PROPERTY EXCLUDED in the Commercial Property Compass Form:

PROPERTY NOT COVERED

1. The Companies do not cover:

a. Other structures

The Companies do not cover other structures on the insured **Location** set apart from the **Building** by clear space. This includes structures connected to the **Building** or mobile home by only a fence, utility line or similar connection.

b. Animals, birds, or fish, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside a **Building** described on the Statement of Values on file with the Program Manager;

c. Accounts, bank notes, bills, bullion, coins, currency, deeds, evidences of debt; letters of credit, tickets and stamps, manuscripts, medals, money, notes, bank notes, passports, personal records, or securities;

d. Articles of gold, gold ware; gold-plated ware, silverware, silver-plated ware, platinum; or platinum ware, platinum-plated ware, pewter, pewter ware; or pewter-plated ware. This includes flatware, hollowware, tea sets, trays and trophies made of or including silver, gold, pewter or platinum.

e. Aircraft and parts. Aircraft means any contrivance used or designed for flight, except model or hobby aircraft not used or designed to carry people or cargo; or if owned by you, only as "stock" while inside an insured **Building**;

f. Motor vehicles or all other motorized land conveyances; trailers on wheels. This includes:

(1) Their equipment and accessories; or

(2) Electronic apparatus that is designed to be operated solely by use of the power from the electrical system of motor vehicles or all other motorized land conveyances.

Electronic apparatus includes:

(a) Accessories or antennas; or

(b) Tapes, wires, records, discs or other media for use with any electronic apparatus described in this item f.

The exclusion of property described in f.(1) and f.(2) above, applies only while the property is in or upon the vehicle or conveyance.

The Companies do cover vehicles or conveyances, other than autos or vehicles you hold for sale, not subject to motor vehicle registration contained within an enclosed structure on the insured **Location** which are:

- (a) contained within an enclosed structure; and
 - (b) used to service an insured **Location**; or
 - (c) designed for assisting the handicapped; and
 - (d) are self-propelled machines; and
 - (e) are not autos or vehicles you hold for sale.
- g. Watercraft and their furnishings, other than rowboats and canoes out of water at the insured **Location**, unless:
- (1) owned by you only as "stock" when removed from, out of, or not over water; and
 - (2) located in or within 100 feet of the insured **Building**.
- h. Data, including data stored in:
- (1) Books of account, card index systems, drawings or other paper records; or
 - (2) Electronic data processing tapes, wires, records, drums, cells, discs, magnetic recording, storage or other software media.

However, the Companies do cover up to \$1,000 under item h.(2) the cost of blank or unexposed recording or storage media and of prerecorded computer programs available in the market. This limit does not increase the contents Limit of Liability.

If Electronic Data Processing is covered by this policy, this exclusion does not apply to the extent that coverage is provided under such extension.

- i. Credit cards or fund transfer cards;
- j. Business personal property while airborne, waterborne or in transit;
- k. Pilings, piers, wharves, retaining walls, seawalls, bulkheads, beach or diving platforms or appurtenances, docks or boathouses;
- l. Trees, shrubs, plants, flowers, lawns, tee boxes, fairways, greens, landscaping, bunkers or sand traps, or artificial turf;
- m. Windmills, wind pumps or their towers, or smokestacks;
- n. Awnings, canopies or other roof like projection or covering, whether fabric or not, whether permanent or retractable;
- o. Steeples and fountains;
- p. Grain, hay, straw and other crops, crop silos or their contents;
- q. Bridges, boardwalks, trestles, catwalks, bleachers, dune walks, ramps, roadways, walks, decks, and patios and similar structures, or other paved or graveled surfaces, whether or not attached to the **Building**;
- r. Amusement equipment;
- s. Fabric windscreens on fences;
- t. Any structure or attachment, whether attached or separate from the insured **Building**, where that structure's roof coverings are of fabric, thatch, lattice, or slats and similar material; or where that

structure's exterior wall coverings are of fabric, thatch, lattice, or slats and similar material, and personal property within or on these structures;

- u. Slat houses, chickees, tiki huts, gazebos and pergolas or similar structures and personal property contained within or on these structures;
- v. Signs, scoreboards, radio or television antennas or aerials, satellite dishes (including lead-in wiring, masts or towers and their supports), fences, gates, fountains, statues, monuments, utility poles (including light fixtures), light poles, traffic lights and traffic signals.

However, the Companies **do cover** solar paneling and other similar water heating or electrical apparatus when:

- (1) outside the **Building** (including lead-in pipes, wiring, masts or towers and their supports), and
- (2) permanently installed, and
- (3) located on the insured **Location**, and
- (4) used for the service of the covered property.

- w. Land, including land on which the other structures are located.

- 2. The Companies **do cover** the following property if, and only if, it is described as separate and specific items on the Statement of Values on file with the Program Manager::

- a. Any structure, whether attached or separate from the covered **Building**, where that structure's roof covering is of screen;
- b. Signs, scoreboards, light poles, fences, gates, fountains, statues, monuments, artificial turf, bleachers, property walls and similar structures separating parcels of land;
- c. Greenhouses, glasshouses, hothouses, open-sided sheds, carports, cabanas, gazebos, swimming pools, jacuzzis, hot tubs/spas, or similar structures, including their decking, but not:
 - (1) business personal property or contents contained within or on these structures, or
 - (2) when these structures are comprised of fabric, thatch, lattice, slats or similar material.
- d. Enclosed garages, enclosed tool sheds, enclosed sheds, enclosed pump houses, enclosed boiler sheds, enclosed pool houses, enclosed air conditioning sheds, enclosed guardhouses, enclosed workshops, enclosed maintenance sheds, and the business personal property or contents contained within or on the structures;
- e. Any structure, including the contents and business personal property contained within or on the structure, that is located in whole or in part over water;
- f. Mobile homes, temporary **Buildings**, portable **Buildings**, travel trailers and similar structures or conveyances, (including business personal property contained in or on or pertaining to these structures or conveyances);
- g. However, the Companies do not cover business personal property or contents of any structure or other property regardless of whether it is described as separate and specific item(s) in the Statement of Values on file with the Program Manager, when:
 - (1) Such structure is comprised of fabric, thatch, lattice, slats or similar material; or
 - (2) Not covered as explained in other sections of this policy.
- h. Self-supported, stand alone canopies.

LIMIT

As respects property covered by this Endorsement, the Companies' Limit of Liability shall be limited to the values shown on the Statement of Values on file with the Program Manager; however, in no event to exceed \$100,000 per Occurrence as respects all property combined.

DEDUCTIBLE

As respects property covered by this Endorsement, the Deductible shall be equal to 10% of the total insurable values of the property covered by this endorsement, subject to a minimum deductible of \$100,000 per Occurrence.

This deductible shall be a separate deductible from any other deductible stated elsewhere in the policy, but only the largest minimum deductible shall apply.

DEFINITIONS

As used in this endorsement these words have the following meaning:

1. "Windstorm" means wind, wind gusts, tornadoes or cyclones which result in direct physical loss or damage to property.
2. "Hurricane" means:
 - a. Coverage for loss or damage caused by the peril of windstorm during a hurricane.
 - b. "Windstorm" for the purposes of subparagraph a. means wind, wind gusts, hail, rain, or tornadoes or cyclones caused by or resulting from a hurricane which results in direct physical loss or damage to property.
 - c. "Hurricane" for the purposes of subparagraphs a. and b. means a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service. The duration of the hurricane includes the time period, in the state of the insured **Location**:
 - (1) Beginning at the time of a hurricane watch or warning is issued by the National Hurricane Center of the National Weather Service;
 - (2) Continuing for the time period during which the hurricane conditions exist; and
 - (3) Ending 72 hours following the termination of the last hurricane watch or hurricane warning issued by the National Hurricane Center of the National Weather Service.

All other terms and conditions remain unchanged.

COMPASS SUPPLEMENTAL DECLARATIONS

This Compass Supplemental Declarations shall be attached to and form a part of the Compass 05 24 Form.

- A. **LIMIT OF LIABILITY ("Policy Limit"):** The total maximum liability for all insurance companies and Lloyd's of London, London England (all hereinafter referred to as the "Companies") in any one **Occurrence** as a result of all covered loss or damage regardless of the number of **Locations**, coverages, or perils insured under this Policy shall not exceed the lesser of: 1. (a. – f., as indicated by an 'X'); OR 2.:

1. a. As respects each **Location** insured by this Policy: of the total combined stated values for all categories of Covered Property and Time Element exposures shown for that **Location** on the Statement of Values or other documentation on file with the Program Manager for the Companies, as stated on the Policy Declaration page (hereinafter referred to as the "Program Manager");
- b. ☒ As respects each item (e.g. Building, Personal Property, Outdoor Property, Time Element) insured by this Policy: 100.00% of the stated value shown for that item on the Statement of Values or other documentation on file with the Program Manager;
- c. As respects each **Location** insured by this Policy: of the total combined stated values for all categories of Covered Property shown for that **Location**; and separately, of the total combined stated values for Time Element shown for that **Location**; all on the Statement of Values or other documentation on file with the Program Manager;
- d. As respects all Locations insured by this policy: Blanket over all Locations per the Statement of Values or other documentation on file with the Program Manager;
- e. As respects each line of coverage (e.g. Building, Personal Property, Outdoor Property, Time Element), insured by this Policy: Blanket for each line of coverage over all Locations per the Statement of Values or other documentation on file with the Program Manager;
- f.

OR

2. \$60,000,000 maximum limit of liability.

- B. **SUBLIMITS OF LIABILITY:** Sublimits of Liability stated below are included within and not in addition to the Limit of Liability shown in Paragraph A., above. These Sublimits of Liability and the specified limits of liability contained in the forms, endorsements and extensions attached, if any, are per **Occurrence**, unless otherwise indicated.

If the words "NOT COVERED" are shown, instead of a limit, sublimit amount or number of days, or if a specified amount or number of days is not shown corresponding to any coverage or Covered Cause of Loss, then no coverage is provided for that coverage or Covered Cause of Loss.

1. **Earth Movement:**

- a. \$5,000,000 Annual Aggregate

Subject to the Annual Aggregate Limit for all **Earth Movement** shown in B.1.a. above:

- b. \$NOT COVERED Annual Aggregate for all **Earth Movement** in California, Alaska and Hawaii, combined.
- c. \$NOT COVERED Annual Aggregate for **Pacific Northwest States**, combined.
- d. \$NOT COVERED Annual Aggregate for **New Madrid Earthquake Zone Counties**, combined.

2. **Flood:**

- a. \$5,000,000 Annual Aggregate

Subject to the Annual Aggregate Limit for all **Flood** shown in B.2.a. above:

- b. \$2,500,000 Annual Aggregate as respects **Flood** for all **Locations** combined, wholly or partially within **Special Flood Hazard Areas**.

3. **Named Storm:**

- \$60,000,000 Regardless of the number of Coverages, Locations or Perils involved, including, but not limited to, wind, wind gusts, tornados, cyclones, hail, or rain, all arising out of a Named Storm, the maximum amount the Companies will pay per Occurrence as respects all covered loss or damage.

In the event a loss involves more than one of the above perils (B.1. - B.3.) and provided it is a covered peril(s), each peril's sublimit above shall be considered a separate sublimit apart from the other peril's sublimit above.

However, the Sublimits below (B.4. - B.38.) shall also be considered sublimits within the above applicable covered peril sublimits (B.1. - B.3.).

4. Accounts Receivable: \$1,000,000
5. Civil or Military Authority: 30 Days; but in no event will the Companies pay more than \$1,000,000.
6. Contingent Time Element: 60 Days or \$1,000,000; whichever is less.
7. Contractor's Equipment: \$100,000 , as respects unscheduled: owned; leased; rented; or borrowed; but not to exceed: \$25,000 any one unscheduled item

8. Course of Construction: \$1,000,000 New buildings or structures; excluding Soft Costs.
9. Course of Construction Soft Costs: \$100,000
10. Debris Removal: The Companies' total liability for Debris Removal per **Occurrence** for all insured **Locations** sustaining covered direct physical loss or damage payable under this Policy shall not exceed the lesser of:
- a. 25% of the amount of covered physical loss or damage to Covered Property (excluding Time Element), payable for all insured **Locations**; or
 - b. \$5,000,000.

However, in the event the covered loss is subject to a sublimit, as stated in Sublimits B.4. - B.9. and B.11 - B.38., the related Debris Removal shall be included in that sublimit.

11. **Electronic Data and Media:** \$500,000
12. Errors or Omissions: \$100,000; subject to all other sublimits contained herein.
13. Extended Period of Indemnity: 180 Days
14. Extra Expense: \$1,000,000
15. Expediting Expense: \$100,000
16. Fine Arts: \$250,000
17. Fire Brigade Charges: \$100,000
18. **Fungus, Molds, Mildew, Spores, Yeast:** \$15,000 Annual Aggregate
19. Ingress/Egress Coverage: 30 Days ; but in no event will the Companies pay more than \$250,000.
20. Leasehold Interest: \$100,000
21. Limited Pollution Coverage: \$100,000 Annual Aggregate
22. Lock Replacement: \$25,000

23. Miscellaneous Unnamed Locations:	\$100,000; subject to all other sublimits contained herein.
24. Newly Acquired Property:	60 Days , but in no event will the Companies pay more than \$1,000,000, subject to all other sublimits contained herein.
25. Ordinance or Law:	
a. Coverage A:	Included in the Building Limit.
b. Coverage B:	10% of the scheduled Building value, not to exceed \$5,000,000.
c. Coverage C:	Included with Coverage B.
d. Coverage D:	Included in the Time Element (if covered).
e. Coverage E:	Included in Building Limit.
26. Ordinary Payroll:	30 Days (provided values are included in the reported Time Element Values).
27. Plants, lawns, trees or shrubs:	\$100,000
Any one plant, lawn, tree or shrub:	\$25,000
28. Professional Fees:	\$100,000 Annual Aggregate
29. Reclaiming, restoring or repairing land:	\$10,000
30. Reward Reimbursement:	\$25,000
31. Royalties:	\$100,000
32. Service Interruption:	\$250,000; however, a qualifying period of 72 hours applies to this coverage (provided Time Element is reported and covered).
33. Solar Power Systems:	\$100,000
34. Spoilage:	\$25,000

35. Time Element Monthly Limitation: N/A ; applicable to all Time Element coverages, except those that have a sublimit in this Paragraph B.

36. Transit: \$100,000

37. Underground tanks, pipes, flues & drains: \$100,000

38. **Valuable Papers and Records:** \$1,000,000

C. **MAXIMUM AMOUNT PAYABLE:** In the event of a Covered Cause of Loss hereunder, the total liability of the Companies shall be limited to the least of the following:

1. The actual adjusted amount of loss, less applicable deductible(s), or
2. The limit of liability or applicable sublimit of liability shown in this Compass Supplemental Declarations or endorsed hereon.

D. **DEDUCTIBLE:** Each claim for loss or damage under this Policy shall be subject to a per **Occurrence** deductible amount of:

1. \$* Property Damage & Time Element (if covered), combined; OR
*\$25,000; Except \$10,000 as respects any item valued at \$250,000 or less listed on the separate Equipment Statement of Values on file with the Program Manager, with a Total Insurable Value of \$2,852,316.
\$N/A Property Damage; and

\$N/A Time Element (if covered).

unless a specific deductible shown below applies for the indicated peril(s).

2. **Flood:**

- a. \$100,000 Per **Occurrence**, except as follows in Subparagraphs D.2.b. & D.2.c.:
- b. As respects **Locations** wholly or partially within **Special Flood Hazard Areas**:
Maximum available limits with National Flood Insurance Program (NFIP), whether purchased or not, plus \$100,000 Per Occurrence.
- c. As respects **Locations** wholly or partially within **Special Flood Hazard Areas** or Zones B, X500, or X-Shaded: \$N/A

3. **Earth Movement:**

- a. \$100,000 Per **Occurrence**, except as follows in Subparagraphs D.3.b., D.3.c., & D.3.d.:
- b. As respects **Locations** in California, Hawaii and Alaska:
N/A% of the **TIV** at each **Location** involved in the loss or damage, subject to a minimum of \$N/A any one **Occurrence**.

- c. As respects **Locations** in the **Pacific Northwest States**:

N/A% of the **TIV** at each **Location** involved in the loss or damage, subject to a minimum of \$N/A any one **Occurrence**.

- d. As respects **Locations** in the **New Madrid Earthquake Zone Counties**:

N/A% of the **TIV** at each **Location** involved in the loss or damage, subject to a minimum of \$N/A any one **Occurrence**.

4. **Windstorm or Hail:**

- a. **** Per Occurrence**; or

\$N/A Per **Occurrence**, Per **Location**;

****\$100,000**; Except \$250,000 at each Location as respects any loss arising out of a Named Storm (which includes Hurricane).

except as follows in Subparagraphs D.4.b. & D.4.c.:

- b. Any loss arising out of a **Named Storm** (which includes **Hurricane**):

- 1) N/A% of the **TIV** at each **Location**, subject to a minimum deductible of \$N/A any one **Occurrence**; as respects **Locations** in:

N/A.

- 2) N/A% of the **TIV** at each **Building** or structure or outdoor property, subject to a minimum deductible of \$N/A any one **Occurrence**; as respects **Locations** in:

N/A.

- c. Any loss arising out of a **Hurricane** only:

- 1) N/A% of the **TIV** at each **Location**, subject to a minimum deductible of \$N/A any one **Occurrence**; as respects **Locations** in:

N/A.

- 2) N/A% of the **TIV** at each **Building** or structure or outdoor property, subject to a minimum deductible of \$N/A any one **Occurrence**; as respects **Locations** in:

N/A.

5. The following five paragraphs (a - e) apply to Paragraphs D.1. through D.4., inclusive:

- a. **TIV** at each **Location** shall mean the sum of all reported values for Real Property, Personal Property, Time Element, and any other values for that scheduled **Location**, as per the Statement of Values on file with the Program Manager.

- b. **TIV** at each **Building** or structure or outdoor property shall mean the sum of all reported values for Real Property, Personal Property, Time Element, and any other values for that scheduled **Building** or scheduled structure or scheduled outdoor property, as per the Statement of Values on file with the Program Manager.
 - c. In each case of loss or damage covered by this Policy, the Companies shall not be liable unless the Insured sustains loss or damage in a single Occurrence greater than any applicable deductible described herein and then, if this is a quota share Policy, only for each Companies' share in excess of such deductible. When this Policy covers more than one Location, the deductible shall apply against the total loss or damage covered by this Policy in any one Occurrence, unless otherwise stated in this Paragraph D.
 - d. If two or more peril deductible amounts provided in this Policy apply to a single Occurrence, the total to be deducted shall not exceed the largest deductible applicable, unless otherwise stated in this Policy. However, if a Time Element deductible and another deductible apply to a single occurrence, then the Companies shall apply both deductibles to the Occurrence.
- E. **MULTIPLE BUILDING LIMITS AND DEDUCTIBLES:** In the event a policy coverage limit, sublimit and/or Deductible is "per Building" and at the time of loss the values shown on the Statement of Values on file with the Program Manager are not individually stated for each Building, Structure, Business Personal Property, or Time Element at each location, the following shall apply to determine the breakdown of values:
- 1) The value for each **Building** and structure will be developed by multiplying the total reported Building and Structure value by the proportion that the square footage of the individual Building or Structure bears to the total square footage reported for all Buildings and Structures contemplated in the total reported Building and Structure value.
 - 2) The value of Business Personal Property at each location will be developed by multiplying the total reported Business Personal Property value by the proportion that the square footage of all Buildings and Structures at the individual location bears to the total square footage of all Buildings and Structures at all locations contemplated in the total reported Business Personal Property value.
 - 3) The value of the Business Income or Loss of Rents will be developed by multiplying the total reported Business Income or Loss of Rents by the proportion that the square rentable footage of the individual Building or Structure bears to the total square rentable footage reported for all Buildings and Structures contemplated in the total reported Business Income or Loss of Rents value.

COMPASS COMMERCIAL PROPERTY FORM

In consideration of the premium charged, this policy covers for direct physical loss of or damage to the Covered Property caused by a Covered Cause of Loss occurring during the policy period. Coverage shall be subject to the terms, conditions, definitions, exclusions, limitations, and provisions contained herein.

SECTION I – INSURED, ADDITIONAL INTERESTS & COVERAGE TERRITORY

Terms which appear in boldface type have special meaning. See Section VIII. POLICY DEFINITIONS.

- A. **NAMED INSURED:** First Named Insured (as shown in the Declarations) and/or its affiliated and subsidiary companies and/or corporations as now exist or may hereafter be constituted or acquired including their interests as may appear in partnerships or joint ventures which the Insured is responsible or legally obligated to insure.
- B. **LOSS PAYEE(S), LENDER'S LOSS PAYEE(S), MORTGAGEE(S), AND ADDITIONAL INSURED(S):** Per Certificates of Insurance (or similar document, list or schedule) on file with the Program Manager for the Companies, as stated on the Policy Declaration Page (hereafter referred to as the "Program Manager"). Any Certificates of Insurance issued in connection with this Policy shall be issued solely as a matter of convenience or information (and do not alter or amend coverage) for the addressee(s) or holders(s) of said Certificates of Insurance, except where any Loss Payee(s), Lender's Loss Payee(s), Mortgagee(s), or Additional Insured(s) are named pursuant to the Special Provisions of said Certificate of Insurance. In the event any Loss Payee(s), Lender's Loss Payee(s), Mortgagee(s), or Additional Insured(s) are so named by contract, this Policy shall be deemed to have endorsed accordingly, subject to all other terms, conditions and exclusions stated herein, and provided the Certificate of Insurance is issued prior to a loss. Such endorsement adding any Loss Payee(s), Lender's Loss Payee(s), Mortgagee(s), or Additional Insured(s) will be deemed attached to the policy and the Insured will pay any required premium.
- C. **COVERAGE TERRITORY:** Coverage under this Policy applies to **Occurrences** within the United States of America and Canada.

SECTION II – COVERED CAUSES OF LOSS

- A. **COVERED CAUSES OF LOSS:** This Policy insures against all risks of direct physical loss or damage to Covered Property, except as excluded.
- B. **EXCLUSIONS:** The Companies do not insure for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event contributing concurrently or in any sequence to the loss or damage. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area:
 - 1. Nuclear, Biological, Chemical and Radiological
 - a. The Companies will not pay for any loss, damage, cost or expense, whether real or alleged, that is caused, results from, is exacerbated by or otherwise impacted by, either directly or indirectly, any of the following:
 - 1) Nuclear Hazard – including, but not limited to, nuclear reaction, nuclear detonation, nuclear radiation, radioactive contamination and all agents, materials, products or substances, whether engineered or naturally occurring, involved therein or released thereby;
 - 2) Biological Hazard – including, but not limited to, any biological and/or poisonous or pathogenic agent, material, product or substance, whether engineered or naturally occurring, that induces or is capable of inducing physical distress, illness, or disease;

- 3) Chemical Hazard – including, but not limited to, any chemical agent, material, product or substance;
 - 4) Radioactive Hazard – including, but not limited to, any electromagnetic, optical, or ionizing radiation or energy, including all generators and emitters thereof, whether engineered or naturally occurring.
- b. The provisions of subparagraphs a.2) and a.3) will not apply where the agent, material, product or substance at issue is utilized in the course of business by an Insured.
- c. Only if and to the extent required by state law, the following exception to the exclusions in Paragraph a. applies:

If a hazard excluded under Paragraph a. results in Fire (and provided Fire is a Covered Peril), the Companies will pay for the loss, damage, cost or expense caused by that Fire, subject to all applicable policy provisions including the Limit of Insurance on the affected Covered Property. Such coverage for Fire applies only to direct loss or damage by Fire to Covered Property. This coverage does not apply to insurance provided under Time Element, including but not limited to, Business Income, Rental Value or Extra Expense coverage or endorsements that apply to those coverages.

- 2. a. War, hostile or warlike action in time of peace or war, whether or not declared, including action in hindering, combating, or defending against an actual, impending, or expected attack:
 - 1) By any government or sovereign power (de jure or de facto) or by any authority maintaining or using military, naval, or air forces; or
 - 2) By military, naval, or air forces; or
 - 3) By an agent of any such government, power, authority, or force;
 - b. Any weapon of war employing atomic fission or radioactive force, whether in time of peace or war, whether or not its discharge was accidental; or
 - c. Insurrection, rebellion, revolution, civil war, usurped power, or action taken by governmental authority in hindering combating, or defending against such **Occurrence**, seizure or destruction;
- including any consequence of Subparagraphs 2.a., 2.b., or 2.c. above.
3. Any fraudulent or dishonest act or acts, intended to result in financial gain, committed alone or in collusion with others: by any proprietor, partner, director, trustee, officer or employee of the Insured (including leased employees), or by any party to whom the property may have been entrusted (other than a carrier for hire).

However, a willful act of destruction by an employee of the Insured (including leased employees), or others listed above without the knowledge of the Insured is covered.

4. Asbestos
- a. The Companies will not pay for loss, damage or remediation expenses caused by or resulting from the presence of asbestos or asbestos-containing materials. As used in this exclusion, remediation expenses are expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, abatement or neutralization of asbestos or asbestos-containing materials to the extent required by federal, state or local laws, regulations or statutes or any subsequent amendments thereof to address asbestos.
 - b. However, this Asbestos exclusion does not apply to the extent that coverage is provided under the following:

This policy insures asbestos physically incorporated in an insured **Building** or structure, and then only that part of the asbestos which has been physically damaged during the policy period by a **Defined Cause of Loss**.

This coverage is subject to all limitations in the policy and, in addition, to each of the following specific limitations:

- 1) The said **Building** or structure must be insured under this policy for damage by this **Defined Cause of Loss**.
- 2) The **Defined Cause of Loss** must be the immediate, sole cause of the damage to the asbestos.
- 3) The Insured must report to the Companies the existence and cost of the damage as soon as practicable after the **Defined Cause of Loss** first damaged the asbestos. However, this policy does not insure any such damage first reported to the Companies more than 12 (twelve) months after the expiration, or termination, of the policy period.
- 4) Insurance under this policy in respect of asbestos shall not include any sum relating to:
 - a) any faults in the design, manufacture or installation of the asbestos;
 - b) asbestos not physically damaged by a **Defined Cause of Loss** including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos.

5. Pollution/Contamination
NMA 2340 11/24/1988 (USA date) - amended

Seepage And/Or Pollution And/Or Contamination Exclusion

This Policy does not insure:

- a. any loss, damage, cost or expense, or
- b. any increase in insured loss, damage, cost or expense, or
- c. any loss, damage, cost, expense, fine or penalty, which is incurred, sustained or imposed by order, direction, instruction or request of, or by any agreement with, any court, government agency or any public, civil or military authority, or threat thereof, (and whether or not as a result of public or private litigation),

which arises from any kind of seepage or any kind of pollution and/or contamination, or threat thereof, whether or not caused by or resulting from a peril insured, or from steps or measures taken in connection with the avoidance, prevention, abatement, mitigation, remediation, clean-up or removal of such seepage or pollution and/or contamination or threat thereof.

The term "any kind of seepage or any kind of pollution and/or contamination" as used in this clause includes (but is not limited to):

- a. seepage of, or pollution and/or contamination by, anything, including but not limited to, any material designated as a "hazardous substance" by the United States Environmental Protection Agency or as a "hazardous material" by the United States Department of Transportation, or defined as a "toxic substance" by the Canadian Environmental Protection Act for the purposes of Part II of that Act, or any substance designated or defined as toxic, dangerous, hazardous or deleterious to persons or the environment under any other Federal, State, Provincial, Municipal or other law, ordinance or regulation; and
- b. the presence, existence, or release of anything which endangers or threatens to endanger the health, safety or welfare of persons or the environment.

6. Delay, loss of market, or loss of use.
7. Indirect, remote, or consequential loss or damage.
8. Mysterious disappearance or loss or shortage disclosed on taking inventory or any unexplained loss.
9. Voluntary parting with title or possession of any property, including voluntary parting which is the result of any fraudulent scheme, trick, devise, false pretenses, or any other similar act.
10. Faulty workmanship, material, construction, installation, or design from any cause; or faulty planning, zoning, development, surveying or siting; all unless physical damage not excluded by this Policy ensues, in which event, this Policy will cover only such resulting damage.
11. Loss attributable to manufacturing or processing operations which result in damage to stock or materials while such stock or materials are being processed, manufactured, tested or otherwise being worked upon; all unless physical damage not excluded by this Policy results, in which event, this Policy shall cover only such resulting damage.
12. Deterioration, depletion, rust, corrosion, erosion, wet or dry rot, decay, evaporation, leakage, wear and tear, animal, insect or vermin damage, inherent vice or latent defect, shrinkage or change in color, flavor, texture or finish, extremes or changes of temperature damage or changes in relative humidity damage, all whether atmospheric or not; all unless physical damage not excluded by this Policy results, in which event, this Policy shall cover only such resulting damage.
13. Settling, cracking, shrinking, bulging, or expansion of pavements, paved surfaces, walkways, drainage systems or roadways, foundations, walls, floors, or ceilings; all unless physical damage not excluded by this Policy results, in which event, this Policy will cover only such resulting damage.
14. Lack of incoming electricity, fuel, water, gas, steam, refrigerant, or outgoing sewerage, or incoming or outgoing data or telecommunications, all of which are caused by an Occurrence away from the Location(s) insured under this Policy, unless physical damage not excluded by this Policy results, in which event, this Policy shall cover only such resulting damage.
15. Costs, expenses, fines or penalties incurred or sustained by or imposed on the Insured at the order of any government agency, court or other authority arising from any cause whatsoever.
16. Electronic Data & Media

Damage or consequential loss directly or indirectly caused by, consisting of, or arising out of:

- a. Any functioning or malfunctioning of the internet or similar facility, or of any intranet or private network or similar facility,
- b. Any corruption, destruction, distortion, erasure, "computer virus", or any other loss or damage to data, media, software, or any kind or programming or instruction set,
- c. Loss of use or functionality, whether partial or entire, of data, media, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the Insured to conduct business, as a result thereof.

"Computer Virus" means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. "Computer Virus" includes, but is not limited to, "Trojan Horses," "worms" and "time or logic bombs".

However, in the event that a **Defined Cause of Loss** results from any of the matters described in paragraphs a. – c. above, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the policy period to property insured by this Policy directly caused by such **Defined Cause of Loss**.

17. Electronic Date Recognition
NMA 2802 12/17/1997 (USA Date) - amended

This policy does not cover any loss, damage, cost, claim or expense, whether preventative, remedial or otherwise, directly or indirectly arising out of or relating to:

- a. the calculations, comparison, differentiation, sequencing or processing of data involving the date change to the year 2000, or any other date change, including leap year calculations, by any computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not; or
- b. any change, alteration or modification involving the date change to the year 2000, or any other date change, including leap year calculations, to any such computer system, hardware, program or software and/or any microchip, integrated circuit or similar device in computer equipment or non-computer equipment, whether the property of the Insured or not.

This clause applies regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, cost, claim or expense.

18. Loss or damage in the form of, caused by, arising out of, contributed to, or resulting from **Fungus, Mold(s), Mildew, Spores or Yeast**; or any spores or toxins created or produced by or emanating from such **Fungus, Mold(s), Mildew, Spores or Yeast**.

However, this exclusion shall not apply provided the Insured establishes that the fungus, mold(s), mildew, spores or yeast is a direct result of a covered loss from a **Defined Cause of Loss or Flood** (provided **Flood** is a covered peril) and provided this loss is reported to the Companies within twelve (12) months from the expiration date of the policy. The Companies' liability shall then be limited to the sublimit stated elsewhere.

19. Hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment, unless physical damage not excluded by this Policy results, in which event, this Policy will cover only such resulting damage.

20. Loss or damage arising out of:

- a. A **building** or any part of a **building** that is in danger of falling down or caving in,
- b. Any part of a **building** that has separated from another part of the **building**, or
- c. A **building** or any part of a **building** that is standing which shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

However, the Companies do cover loss or damage arising out of **Collapse**.

21. **Equipment Breakdown** to vehicles (or any equipment on vehicles), or **contractors equipment**, including but not limited to draglines, cranes, excavation or construction equipment; all unless physical damage not excluded by this Policy results to other insured Property, in which event, this Policy will cover only such resulting damage.

22. Terrorism
NMA 2920; 10/8/01 (USA Date) - amended

This policy excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an "act of terrorism" means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether

acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This clause also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to any act of terrorism.

If the Companies allege that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

23. Loss Due To Virus Or Bacteria
AR 01 40 07 - amended

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

However, this exclusion does not apply to loss or damage caused by or resulting from **fungus, mold(s), mildew, spores or yeast**. Such loss or damage is addressed in a separate exclusion in this Policy.

- c. With respect to any loss or damage subject to the exclusion in subparagraph b. above, such exclusion supersedes any exclusion relating to pollutants or contaminants.
- d. The terms of the exclusion in subparagraph b. above, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded by this Policy.

24. Water under the ground surface pressing on, or flowing or seeping through:

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

However: a) this exclusion shall not apply to water damage to Covered Property caused by the breakage of underground pipes or containment structures; or b) in the event the Insured has protective devices to abate damage due to water from under the ground surface pressing on, or flowing or seeping through a. or b. above, and such protective devices fail due to a Covered Cause of Loss or Equipment Breakdown, then this policy shall cover any resulting water damage.

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

26. Loss or damage by rain, snow, sand or dust, whether driven by wind or not, to the interior of any building or structure, or the property inside the building or structure, unless the building or structure first sustains a covered peril loss to its roof or walls through which the rain, snow, sand or dust enters. The above exclusion shall not apply to loss or damage caused by or resulting from the thawing of snow, sleet or ice on the Building or structure (also known as ice damming).

This exclusion shall also apply to any Building or structure in the Course of Construction at any time when the roof or outside walls are incomplete. "Incomplete" means at the time of loss or damage, the envelope of the Building or structure, which includes the exterior walls, windows and roofing system, are not watertight based on the Building's or structure's design.

27. Seizure or destruction of property by order of governmental authority. However, coverage is provided for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire is a Covered Cause of Loss.
28. **Equipment Breakdown** (see Definitions); unless physical damage not excluded by this Policy results, in which event, this Policy shall cover only such resulting damage.
29. Hot Testing; which means:
 - a. Commissioning or performance testing;
 - b. Any testing involving the introduction of flammable or explosive feedstock beginning when such feedstock is first introduced; or
 - c. The rotational operation of any turbine or generator, except for rotational operation by turning gear only when the turbine or generator is not energized.

Hot Testing does not mean the commissioning or performance testing of:

Heating; Cooling; Air handling; Electrical; Mechanical; Hydraulic; Hydrostatic; or Pneumatic; all being systems that are part of the Building systems or construction works.

30. Loss, damage, cost, or expense covered under any express or implied guarantee or warranty from a manufacturer or supplier, whether or not such manufacturer or supplier is an Insured under this policy.
31. Named Storm Restriction: Coverage excludes all loss or damage directly or indirectly caused by any Named Storm in existence at time of written request to bind or inception of any new or additional exposure; unless with the express written consent of the Program Manager.
32. Loss or damage to **contractor's equipment** caused by the weight of a load exceeding the registered lifting capacity of the machine.
33. Pre-existing Damage: This policy shall exclude any loss or damage directly or indirectly caused by, resulting from or contributed to, any pre-existing damage to property covered by this policy at the time of this Policy's inception or attachment of coverage. This exclusion shall not apply: a) upon the substantial completion of repair or reconstruction of the damaged **covered property**; or b) if the affected covered property is a renewal of an expiring policy written by the Program Manager, and the pre-existing damage was directly caused by a covered peril.
34. Loss or damage arising out of any peril for which the words NOT COVERED or for which an amount is not shown in the Compass Supplemental Declarations, Subparagraph B.

If Earth Movement is NOT COVERED, this policy shall still cover resulting Fire, Explosion or Sprinkler Leakage, provided Fire, Explosion or Sprinkler Leakage is a Covered Cause of Loss.

If Flood is NOT COVERED, this policy shall still cover resulting Fire or Explosion, provided Fire or Explosion is a Covered Cause of Loss.

SECTION III – COVERED PROPERTY

- A. **COVERED PROPERTY:** Unless otherwise excluded, this Policy covers the following property owned by the Insured or in which the Insured has an insurable interest while at the scheduled **Locations** and within 1,000 feet thereof (except **contractor's equipment** shall be per the Policy Coverage Territory):
1. Real and Personal property, including **Contractor's Equipment**.
 2. Buildings or structures while in the course of construction, including alterations and additions to completed buildings and structures, including all building materials, equipment, supplies and machinery intended to become a permanent part of the completed building or structure while on site and awaiting installation.
 3. Improvements and betterments to **buildings** or structures. Such Improvements and Betterments shall be considered Real property.
 4. At the option of the Insured, Personal property, other than motor vehicles, of officers and employees of the Insured.
 5. Personal property of others, other than motor vehicles, in the care, custody and control of the Insured, which the Insured is under obligation to keep insured for physical loss or damage of the type insured against by this Policy.
 6. Contractor's and vendor's interests in property covered to the extent of the Insured's liability imposed by law or assumed by written contract prior to the date of direct physical loss or damage. However, such interests will not extend to any Time Element coverage provided by this Policy.
 7. Real and Personal Property and related Time Element Loss at **Miscellaneous Unnamed Locations(s)** owned by the Insured or for which the Insured is legally responsible for, and within the Coverage Territory of the policy. This shall also include Personal Property of the Insured while temporarily at **Miscellaneous Unnamed Location(s)**, including Property on Exhibitions and Salesman's Samples.
- B. **PROPERTY EXCLUDED:** This Policy does not insure against loss or damage to:
1. Currency, money, notes, securities, stamps, furs, jewelry, precious metals, precious stones, and semi-precious stones. This exclusion does not apply to precious metals and precious stones used by the Insured for industrial purposes.
 2. Air, **Land**, land values, and any substance in or on **Land**, or any alteration to the natural condition of the **Land**. However, this exclusion does not apply to the cost of reclaiming, restoring or repairing **Land**, provided the loss is from a **Defined Cause of Loss**. However, this exclusion for all causes of loss shall still apply to golf course: fairways; greens; tees; rough areas; out-of-bound areas; sand traps; and driving ranges.
 3. Water, except water which is normally contained within any type of tank, piping system or other process equipment.
 4. Standing timber, growing crops, plants, lawns, trees, shrubs or animals. However, this exclusion does not apply to plants, lawns, trees or shrubs, provided the loss is from a **Defined Cause of Loss**. However, this Exclusion for all causes of loss shall still apply to "Golf Course Outdoor Grounds", which means fairways, greens, tees, rough areas, out-of-bound areas, sand traps, driving ranges and plants, lawns, trees, or shrubs that are part of the golf course.
 5. Pavements, paved surfaces, walkways, drainage systems or roadways; except: a) Builder's Risks, provided values are included in contract costs; or b) when scheduled as such on the Statement of Values on file with the Program Manager; or c) pool decking and spa decking which shall be considered part of the pool or spa, provided the Pool or Spa values are scheduled as such on the Statement of Values on file with the Program Manager;

6. Vehicles licensed for highway use, watercraft, aircraft and railroad rolling stock.
7. Property sold by the Insured under conditional sale, trust agreement, installment plan or other deferred payment plan after delivery to customers.
8. Property in transit, except expressly as provided elsewhere in this Policy.
9. Underground mines or mining shafts and any related mining property and equipment while underground, or wells.
10. Offshore oil rigs, platforms and property contained therein or thereon.
11. Satellites and spacecraft.
12. Dams, dikes, levees, bridges, tunnels, reservoirs, flood retaining walls, sea walls, and canals; except when scheduled as such on the Statement of Values on file with the Program Manager.
13. Docks, piers and wharves; except when scheduled as such on the Statement of Values on file with the Program Manager.
14. Transmission and distribution lines and related equipment, including but not limited to transformers, feeder lines, pipelines, and support structures of every type and description; except when located on the insured **Location** or within one thousand (1000) feet thereof.
15. Personal property in the care, custody, and control of the Insured when the Insured is acting as a bailee, a warehouseman, or a carrier for hire.
16. Contraband, or property in the course of illegal transportation or trade.
17. Property of Unit Owners within individual Condominium units, consisting of:
 - a. Personal property and Improvements & Betterments; and
 - b. Floor coverings, wall coverings and ceiling coverings which only serve that unit.

However, provided that c. or d. below do not conflict with any state statute as to the insurance responsibility of the unit-owner, this exclusion shall not apply to:

 - c. Appliances; refrigerators; air conditioning equipment (including air conditioning compressors); heating equipment; cooking ranges; dishwashers; clothes washers/dryers; and fixtures, installations or permanent additions initially installed in accordance with the original plans and specifications; all contained within the unit; or
 - d. Any property within the individual unit (including the property excluded in a. and b., above) that the Condominium Association Agreement requires be covered by the Condominium Association.
18. Marijuana and Schedule 1 Controlled Substances, including all related Property, Expenses and Time Element.

SECTION IV – VALUATION

Except as otherwise provided in this Paragraph, adjustment of loss or damage under this Policy shall be valued at the cost to repair or replace (whichever is less) at the time and place of the loss with materials of like kind and quality, without deduction for depreciation and obsolescence. The Insured may elect to rebuild on another site, provided that, such rebuilding does not increase the amount of loss or damage that would otherwise be payable to rebuild at the same site. However, if the property is not repaired, rebuilt or replaced as soon as reasonably possible after the loss or damage, the value of the property will be determined on an

Actual Cash Value basis. In the event the Insured elects to have the loss or damage settled on an **Actual Cash Value** basis, the Insured may still make a claim on a replacement cost basis, provided the Insured notifies the Companies within 180 days after the loss or damage.

Unless otherwise endorsed hereon, the property, as described below, will be valued as follows:

- A. Stock in process: the cost of raw materials and labor expended, plus the proper proportion of overhead charges.
- B. Finished goods manufactured by the Insured: the regular cash selling price at the location where the loss occurs, less all discounts and charges to which the merchandise would have been subject had no loss occurred.
- C. Raw materials, supplies and other merchandise not manufactured by the Insured: the replacement cost.
- D. **Valuable Papers and Records**: the cost to replace or restore the property with like kind and quality including the cost to research, gather and assemble information. If not replaced, the Companies will only pay the blank value of the valuable papers or records.
- E. **Electronic Data and Media**: the cost of the blank media, plus the costs of copying the **Electronic Data and Media** from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling such **Electronic Data and Media**. If the **Electronic Data and Media** is not repaired, replaced or restored, the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such **Electronic Data and Media** to the Insured or any other party, even if such **Electronic Data and Media** cannot be recreated, gathered or assembled.
- F. Jigs and fixtures, dies, small tools, patterns, employees' personal property and personal property of third parties: the replacement cost if replacement cost values have been reported to the Companies and if actually replaced; otherwise the **Actual Cash Value**, but not to exceed the cost to repair or replace the property with material of like kind and quality.
- G. Leasehold improvements and betterments:
 - 1. If repaired or replaced at the expense of the Insured within two (2) years after the date of the loss, the cost to repair or replace the damaged improvements and betterments.
 - 2. If not repaired or replaced within two (2) years after the date of the loss, a proportion of the Insured's original cost.

The Companies will determine the proportionate value as follows:

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

If the Insured's lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure; or

- 3. Nothing, if others pay for repairs or replacement.
- H. Fine Arts:
 - 1. If there is no Agreed Value Schedule on file with the Program Manager, then the lesser of:
 - a. The cost to repair or replace the fine art, or
 - b. The appraised value, which will be determined as of the time of the loss.

2. If there is an Agreed Value Schedule on file with the Program Manager, then the Agreed Value Schedule shall be used.
 3. If a Fine Arts article is part of a pair or set, and a physically damaged article cannot be replaced, or cannot be repaired or restored to the condition that existed immediately prior to the loss, the Companies will be liable for the lesser of the full value of such pair or set or the Agreed Value, as per the schedule on file with the Program Manager. The Insured will surrender the pair or set to the Companies.
- I. Accounts Receivable: the amount owed the Insured which the Insured is unable to collect from customers, and shall include:
1. Any collection expenses over and above the normal collection costs;
 2. Interest charges on any loan to offset impaired collections pending repayment of such sums that cannot be collected; and
 3. Other reasonable and necessary expenses incurred by the Insured to recreate Accounts Receivable Records.
- Unearned interest and service charges on deferred payment accounts and normal credit losses on bad debts shall be deducted in determining the recovery hereunder.
- After payment of loss by the Companies, all amounts recovered by the Insured on Accounts Receivable for which the Insured has been paid will belong to and will be paid to the Companies by the Insured up to the total amount of loss paid by these Companies. All recoveries in excess of such amounts will belong to the Insured.
- In the event it is possible to reconstruct the Insured's Accounts Receivable Records after they have been physically lost or damaged, so that no shortage in collection of Accounts Receivable is sustained, the Companies shall only be liable for the costs of the material and the time required to reconstruct such records, with the exercise of due diligence and dispatch, but only to the extent that such amounts are not covered by any other insurance.
- J. Property for Sale: If, at the time of the loss, any real property is being offered for sale, the loss or damage to such property will be valued at the lesser of:
1. The cost to repair or replace the damaged property, or
 2. The price at which the property is offered for sale less the market value of the **Land**.
- K. Property in Transit: In case of loss, the basis of adjustment shall be:
1. Property shipped to or for the account of the Insured: the actual invoice to the Insured, together with such costs and charges as may have accrued and become legally due on such property;
 2. Property which has been sold by the Insured and has been shipped to or for account of the purchaser (if covered hereunder): the amount of the Insured's selling invoice, including prepaid or advanced freight;
 3. Property of others not under invoice: the actual market value at the point of destination on the date of the **Occurrence**, less any charges saved which would have become due and payable upon delivery at destination; or
 4. Property of the Insured not under invoice: valued in accordance with the valuation provisions of this Policy applying at the location from which such property is being transported, less any charges saved which would have become due and payable upon delivery at such destination.
- L. Contractor's equipment and vehicles (if covered): **Actual Cash Value**, unless an agreed value applies.
- M. Catalyst: **Actual Cash Value**.

- N. Historic Building Replacement Cost: As respects buildings that are declared and designated by a local, state or federal authority to be of historical significance or of historic value, such rebuilding, repairing or replacement shall be with material, workmanship, processes, technologies and designs publicly available within the current marketplace that most closely resemble those that existed before the loss or damage occurred and are based on the most reasonable cost available at the time the loss occurred, and shall not include the cost of creating outdated, archaic or antiquated materials, workmanship, processes, technologies or designs. In no event shall the loss exceed the scheduled limit on the damaged Building.
- O. For all other property: At replacement cost if actually replaced; otherwise, the **Actual Cash Value**, but not to exceed the cost to repair or replace the property with material of like kind and quality.

With respect to Subparagraphs A. through O., inclusive, unless otherwise specifically stated, the Companies will compute the valuations at the time and place of the loss.

SECTION V – TIME ELEMENT COVERAGE GROSS EARNINGS

This Policy is extended to cover the actual loss sustained by the Insured during the Period of Interruption directly resulting from a Covered Cause of Loss to Covered Property.

- A. **ACTUAL LOSS SUSTAINED:** In the event the Insured is prevented from producing goods or from continuing its business operations or services and is unable:

1. To make up lost production within a reasonable period of time (not to be limited to the period during which production is interrupted), or
2. To continue business operations or services,

all through the use of any property or service owned or controlled by the Insured, or obtainable from other sources, whether the property or service is at an insured **Location** or through working extra time or overtime at any other substitute location(s), including any other location(s) acquired for the purpose, then the Companies shall be liable, subject to all other conditions of this Policy not inconsistent herewith, for the actual loss sustained of the following during the Period of Interruption:

1. **GROSS EARNINGS** less all charges and expenses which do not necessarily continue during the interruption of production or suspension of business operations or services. For the purpose of this coverage, **GROSS EARNINGS** means:
 - a. For manufacturing operations: The net sales value of production less the cost of all raw stock, materials and supplies utilized in such production; or
 - b. For mercantile or non-manufacturing operations: The total net sales less cost of merchandise sold, materials and supplies consumed in the operations or services rendered by the Insured;
 - c. Plus all other earnings derived from the operation of the business.

In determining net sales, in the event of loss hereunder, for mercantile or non-manufacturing operations, any amount recovered under Property Damage policies for loss or damage to or destruction of merchandise shall be included as though the merchandise had been sold to the Insured's regular customers.

In determining the amount of loss payable under this coverage, due consideration shall be given to the experience of the business before the Period of Interruption and the probable experience thereafter had no loss occurred, and to the continuation of only those normal charges and expenses, including payroll (subject to the Ordinary Payroll restriction below), that would have existed had no interruption of production or suspension of business operations or services occurred.

There is no coverage for any portion of the Insured's Ordinary Payroll expense, unless a specified number of days for Ordinary Payroll are shown elsewhere and values have been included in the reported Time Element Values. In such case, the Companies will pay Ordinary Payroll for that number of days only. The number of days need not be consecutive, but must fall within the interruption of production or suspension of business operations or services, or fall within the extension of that period, if an extension is provided. Ordinary Payroll means the entire payroll expense for all employees of the Insured except officers, executives, department managers, employees under contract, and other essential employees.

2. **EXPENSE TO REDUCE LOSS:** Expenses, over and above normal operating expenses, necessarily incurred by the Insured in making up lost production or in reducing loss otherwise payable under this coverage are covered hereunder, but in no event shall these Companies be liable for an amount greater than that for which it would have been liable had the Insured been unable to make up any lost production or to continue any business operations or services.

B. PERIOD OF INTERRUPTION: In determining the amount payable under this coverage, the Period of Interruption shall be:

1. The period from the time of physical loss or damage insured against by this Policy to the time when, with the exercise of due diligence and dispatch, either:
 - a. normal operations resume; or
 - b. physically damaged buildings and equipment could be repaired or replaced and made ready for operations under the same or equivalent physical and operating conditions that existed prior to such loss or damage,

whichever is less. Such period of time shall not be cut short by the expiration or earlier termination date of the Policy.

2. In addition, if applicable, such time as may be required with the exercise of due diligence and dispatch:
 - a. To restore stock in process to the same state of manufacture in which it stood at the time of the initial interruption of production or suspension of business operations or services; or
 - b. To replace physically damaged or destroyed mercantile stock necessary to resume operations; or
 - c. To replace raw materials and supplies in order to continue operations.

However, the inability to procure destroyed mercantile stock or suitable raw materials and supplies to replace similar stock or materials and supplies physically damaged or destroyed shall not increase the Period of Interruption.

3. **For Property under construction:** The time period between the anticipated date of substantial completion had no covered loss occurred and the actual date of completion. In calculating the amount of loss, due consideration will be given to the actual experience of the business compiled after substantial completion and start-up.

The Period of Interruption does not include any additional time:

- a. Required for re-staffing or re-training employees; or
- b. Due to the Insured's inability to resume operations for reasons other than those enumerated in B.2.a. through B.2.c., inclusive, above; or
- c. Required for making change(s) to the buildings, structures, or equipment for any reason except as provided in the Ordinance or Law coverage, if such coverage is provided by this Policy.

C. ADDITIONAL TIME ELEMENT COVERAGES

1. **EXTRA EXPENSE:** This Policy is extended to cover the loss sustained by the Insured for Extra Expense during the Period of Interruption resulting from direct physical loss or damage from a Covered Cause of Loss to Covered Property utilized by the Insured. Extra Expense means:
 - a. The reasonable and necessary extra expense incurred to temporarily continue as nearly normal as practicable the conduct of the Insured's business;
 - b. The reasonable and necessary extra costs of temporarily using property or facilities of the Insured or others.

The Insured agrees to use any suitable property or service owned or controlled by the Insured or obtainable from other sources in reducing the loss under this Time Element Coverage section of this Policy.

2. **RENTAL VALUE:** As respects Covered Property held for rental to others, this Policy is extended to cover the loss sustained during the Period of Interruption, but not exceeding the reduction in Rental Value less charges and expenses which do not necessarily continue.

Rental Value means the sum of:

- a. The total anticipated gross rental income from tenant occupancy of the described property as furnished and equipped by the Insured including taxes, rent based on percentage of sales, and other charges paid by tenants in respect of the leased premises; and
- b. The amount of all charges which, by the terms of a written lease, are the legal obligation of the tenant(s) and which would otherwise be obligations of the Insured; and
- c. The fair rental value of any portion of such property which is occupied by the Insured.

Due consideration will be given to the historic rental expenses prior to the loss and the probable expenses thereafter.

3. **ROYALTIES:** This Policy is extended to cover loss of income sustained by the Insured under a royalty, licensing fee, or commission agreement between the Insured and another party during the Period of Interruption arising out of direct physical loss or damage by a Covered Cause of Loss during the term of this Policy to real or personal property of such other party, only if such Royalties are shown as such on the Statement of Values on file with the Program Manager. When determining the amount payable, the Companies will consider the amount of income derived by the Insured from such agreements before, and the probable amount of income after, the date of loss or damage.
4. **SOFT COSTS (BUILDER'S RISK):** For Property under Construction, this Policy is extended to cover Soft Costs incurred by the Insured during the Period of Interruption (described in Paragraph B. above). Such Soft Costs must be the result of direct damage from a Covered Cause of Loss.

The Companies will pay reasonable and necessary Soft Costs over and above those costs which would have been incurred by the Insured during the Period of Interruption had no loss occurred. Soft Costs means:

- a. The amount of actual interim or construction financing interest, including loan fees and other one-time charges incurred to negotiate a new construction loan and/or extend the existing one;
- b. Realty taxes and ground rent, if any;
- c. Advertising and promotional expenses;
- d. Cost of additional commissions;
- e. Architects, surveyors, legal, consulting engineers, accounting, licenses, permits, or other fees not otherwise covered by this Policy;

- f. Project administration expense, but not including development fees;
 - g. Insurance premiums;
 - h. Founder's fee refunds; and
 - i. Net Business Income or Net Rental Income.
5. **CONTINGENT TIME ELEMENT:** If direct physical loss or damage to the real or personal property of a direct supplier or direct customer of the Insured is damaged by a Covered Cause of Loss under this Policy, and such damage:
- a. wholly or partially prevents any direct supplier to the Insured from supplying their goods and/or services to the Insured; or
 - b. wholly or partially prevents any direct customer of the Insured from accepting the Insured's goods and/or services;

then this Policy is extended to cover the actual loss sustained by the Insured during the Period of Interruption with respect to such real or personal property. The property of the supplier or customer which sustains loss or damage must be of the type of property which would be Covered Property under this Policy.

This coverage applies to the Insured's direct suppliers or direct customers located in the Policy's Coverage Territory.

6. **INTERRUPTION BY CIVIL OR MILITARY AUTHORITY:** This Policy is extended to cover the actual loss sustained during the period of time when access to the Insured's covered **Location** is prohibited by an order of civil or military authority, provided that such order is a direct result of a Covered Cause of Loss to real property not insured hereunder. The insured physical loss or damage must occur within five (5) statute miles from the Insured's covered **Location** in order for coverage to apply. Such period of time begins with the effective date of the order of civil or military authority and ends when the order expires, but no later than the number of days shown elsewhere.

With respect to Additional Time Element Coverages 6. & 7., if a Covered Cause of Loss results in coverage under both Additional Time Element Coverages, the Companies will only pay for loss under one of the two Additional Time Element Coverages, whichever the First Named Insured selects.

7. **INGRESS & EGRESS:** This Policy is extended to cover the actual loss sustained during the period of time when ingress to or egress from the Insured's covered **Location** is prohibited as a direct result of a Covered Cause of Loss to real property not insured hereunder. The insured physical loss or damage must occur within five (5) statute miles from the Insured's covered **Location** in order for coverage to apply. Such period of time begins on the date that ingress to or egress from real or personal property is prohibited and ends when ingress or egress is no longer prohibited, but no later than the number of days shown elsewhere.

With respect to Additional Time Element Coverages 6. & 7., if a Covered Cause of Loss results in coverage under both Additional Time Element Coverages, the Companies will only pay for loss under one of the two Additional Time Element Coverages, whichever the First Named Insured selects.

8. **INTERDEPENDENCY:** This Policy is extended to cover a Time Element loss at an insured **Location** that involves interdependency at one or more other insured **Locations**, all within the Policy's Coverage Territory. The loss, including the resulting interdependency loss, will be adjusted based on the Time Element coverage that applies at the insured **Location** where the covered physical loss or damage occurred.

9. **EXTENDED PERIOD OF INDEMNITY:** Coverage is provided for such additional length of time as is required to restore the Insured's business to the condition that would have existed had no loss occurred, commencing with the later of the following dates:

- a. the date on which the liability of the Companies for loss or damage would otherwise terminate; or
- b. the earliest date on which either normal operations resume, or repair, replacement, or rebuilding of the property that has been damaged is actually completed;

but in no event for a period of time exceeding the number of days specified elsewhere starting with the later of a. or b. above. This Extended Period of Indemnity does not apply to any Additional Time Element Coverages, except RENTAL VALUE (Par. 2. above) or SOFT COSTS (BUILDER'S RISK) Net Business Income or Net Rental Income (Par. 4.i. above).

This additional coverage does not include coverage for any increase in loss due to fines or damages for breach of contract or for late or non-completion of orders, or penalties of any nature.

D. ADDITIONAL EXCLUSIONS: Section V – Time Element Coverage does not cover:

- 1. **IDLE PERIODS** - Any loss during any period in which goods would not have been produced, or business operations or services would not have been maintained, for any reason other than physical loss or damage from a Covered Cause of Loss to which this coverage applies.
- 2. **REMOTE LOSS** –
 - a. Any increase in loss due to the suspension, cancellation, or lapse of any lease, contract, license or order; or
 - b. Any loss due to fines or damages for breach of contract or for late or non-completion of orders or penalties of whatever nature; or
 - c. Any increase in loss due to interference at the Insured's premises by strikers or other persons with rebuilding, repairing, or replacing the property damaged or destroyed, or with the resumption or continuation of business, or with the re-occupancy of the premises.

Nor shall the Companies be liable for any other consequential or remote loss, other than as specifically provided in this Section V.

- 3. **FINISHED PRODUCTS** - Any loss resulting from loss or damage to finished products manufactured by the Insured nor for the time required for their reproduction.
- 4. **TRANSIT** - Any loss resulting from loss or damage to property in transit.
- 5. **BERTH AND/OR PORT BLOCKAGE** – Blockage means a blockage of any part of the ship channel, dock areas, port or berths caused by disabled, stranded or sunken vessels, or rigs or cargo, or other obstructions to navigation.

E. TIME ELEMENT MONTHLY LIMITATION OF INDEMNITY: The Companies shall not be liable for more than the Monthly Limitation of Indemnity shown elsewhere. This Monthly Limitation of Indemnity shall apply to all Time Element coverages.

Time Element Monthly Limitation means the most the Companies will pay monthly for a Time Element loss sustained by the Insured during the Period of Interruption directly resulting from a Covered Cause of Loss to Covered Property. This Monthly Limitation of Indemnity is payable for each period of 30 consecutive days after the beginning of the Period of Interruption and is calculated by multiplying the scheduled Time Element value by the fraction shown elsewhere.

SECTION VI – ADDITIONAL COVERAGES

The following additional coverages are subject to the terms and conditions of this Policy, including the deductibles and sublimits of liability corresponding to each such additional coverage stated in the Compass Supplemental Declarations. These sublimits are part of, and not in addition to sublimits and limits of liability of this Policy, including, but not limited to, the **Earth Movement, Flood, or Named Storm** Sublimits of Liability provided herein, if applicable.

- A. **ACCOUNTS RECEIVABLE:** This Policy covers any shortage in the collection of Accounts Receivable directly resulting from a Covered Cause of Loss to Accounts Receivable Records.

This extension of coverage does not apply to loss due to:

1. Bookkeeping, accounting or billing errors and omissions; and
 2. Alteration, falsification, manipulation, concealment, destruction, or disposal of Accounts Receivable Records committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property, but only to the extent of such wrongful giving, taking, obtaining or withholding.
- B. **DEBRIS REMOVAL:** This Policy covers the necessary and reasonable expense of removal from the insured **Locations** of debris of Covered Property or property of others remaining as a result of direct physical loss or damage insured against under this Policy that occurs during the policy period when the Insured gives written notice of such direct physical loss or damage to the Companies, but no later than 180 days after the loss. There is no liability for the expense of removing contaminated or polluted uninsured property, nor the **Pollutants or Contaminants** therein or thereon, whether or not the contamination results from an insured event.
- C. **ELECTRONIC DATA AND MEDIA:** This Policy is extended to cover direct physical loss or damage to **Electronic Data and Media**.
- D. **ERRORS OR OMISSIONS:** This Policy is extended to cover direct physical loss or damage at **Locations** within the Coverage Territory that are owned, leased or operated by the Insured or any property at an insured **Location**, if such loss or damage is not payable under this Policy solely due to:
1. Any error or unintentional omission in the description of the address of the property whether made at the inception of the policy period or subsequent thereto; or
 2. Failure through any error or unintentional omission to:
 - a. Include any **Location** of the Insured or any property at an insured **Location**, at the inception of the Policy; or
 - b. Report any newly acquired location or property before the period of automatic coverage provided under this Policy for Newly Acquired Location(s) expires.

With respect to Subparagraphs 1. and 2. above, this Errors or Omissions Additional Coverage does not allow the Insured or its representative to correct any value shown in the Statement of Values on file with the Program Manager.

This Policy covers such direct physical loss or damage, to the extent it would have provided coverage had such error or unintentional omission not been made.

It is a condition of this additional coverage that any error or unintentional omission be reported by the Insured to the Companies when discovered and an additional premium be paid, as determined by the Companies.

There is no coverage under this Paragraph for loss or damage which is covered under the Newly Acquired Property or **Miscellaneous Unnamed Locations** provisions of this Policy.

E. **EXPEDITING EXPENSES:** This Policy is extended to cover reasonable and necessary expediting expenses to:

1. Make temporary repairs to Insured Property; or
2. Expedite the permanent repair or replacement of Insured Property;

that has sustained direct physical loss or damage by a Covered Cause of Loss.

F. **FINE ARTS:** This Policy is extended to cover direct physical loss or damage to **Fine Arts**. However, no coverage is provided for:

1. Breakage, marring, scratching, chipping or denting; unless such breakage, marring, scratching, chipping or denting is caused by a **Defined Cause of Loss**; or
2. Physical loss or damage as a result of restoring, repairing or retouching processes.

G. **FIRE BRIGADE CHARGES AND EXTINGUISHING EXPENSES:** This Policy covers the following expenses resulting from a Covered Cause of Loss:

1. Fire brigade charges and any extinguishing expenses which the Insured incurs;
2. Loss and disposal of fire extinguishing materials expended.

There is no coverage for any costs incurred as a result of a false alarm.

H. **LEASEHOLD IMPROVEMENTS & BETTERMENTS:** This Policy is extended to cover the value of undamaged tenant's improvements and betterments when the Insured's lease is cancelled by the lessor; acting under a valid condition of the lease due to direct physical loss or damage to building or personal property caused by or resulting from a Covered Cause of Loss at an insured **Location**. No sublimit of liability applies to this additional coverage, but in no event will the Companies be liable for an amount in excess of the applicable sublimit of liability specified for the Leasehold Interest, if any.

I. **LEASEHOLD INTEREST:** If Covered Property is: (1) rendered wholly or partially untenable by a Covered Cause of Loss during the Policy period and (2) the Insured's lease is canceled by a party, other than the Named Insured, or an entity with any common ownership of the Named Insured, in accordance with the conditions of the lease or as a result of a statutory requirement of the appropriate jurisdiction in which the damaged or destroyed Covered Property is located, then this Policy is extended to cover "The Interest of the Insured as Lessee" (as defined below) or "The Interest of the Insured as Lessor" (as defined below), whichever is applicable, but only for the first three months succeeding the date of the loss and the "Net Lease Interest" (as defined below) shall be paid for the remaining months of the unexpired lease.

Recovery under this additional coverage shall be the pro-rata proportion from the date of loss to expiration date of the lease (to be paid without discount) on the Insured's interest in:

1. The amount of bonus paid by the Insured for the acquisition of the lease not recoverable under the terms of the lease;
2. Improvements and betterments to real property which are not covered under any other section of this Policy; and
3. The amount of advance rental paid by the Insured and not recoverable under the terms of the lease.

Definitions: The following terms, wherever used in this Paragraph H. shall mean:

1. The Interest of the Insured as Lessee is defined as:
 - a. the excess of the rental value of similar premises over the actual rental payable by the lessee (including any maintenance or operating charges paid by the lessee) during the unexpired term of the lease; and

- b. the rental income earned by the Insured from sublease agreements, to the extent not covered under any other section of this Policy, over and above the rental expenses specified in the lease between the Insured and the lessor.
2. The Interest of the Insured as Lessor is defined as the difference between the rents payable to the lessor under the terms of the lease in effect at the time of loss and the actual rent collectible by the lessor during the unexpired term of the lease provided the lease is canceled by the lessee, to the extent not covered under any other section of this Policy.
3. Net Lease Interest is defined as that sum, which placed at 6% interest compounded annually will be equivalent to The Interest of the Insured as Lessee or Lessor.

The Companies shall not be liable for any increase of loss which may be occasioned by the suspension, lapse or cancellation of any license or by the Named Insured exercising any option to cancel the lease. Furthermore, the Named Insured shall use due diligence, including all things reasonably practicable, to diminish loss under this additional coverage.

- J. **LIMITED POLLUTION COVERAGE:** This Policy is extended to cover the reasonable and necessary additional expense incurred to remove, dispose of, or clean-up the actual presence of **Pollutants or Contaminants** from **Land** or water at an insured **Location** when such **Land** or water is contaminated or polluted due to a Covered Cause of Loss that occurs during the policy period. There will be no coverage unless such expenses are reported to the Companies within 180 days of the date of direct physical loss or damage.
- K. **LOCK REPLACEMENT:** This policy covers the necessary expense to repair or replace the exterior or interior door locks of a covered **Building**:
 1. If the door keys are stolen in a covered theft loss; or
 2. When the covered property is damaged and the door keys are stolen by burglars.
- L. **NEWLY ACQUIRED PROPERTY:** This Policy covers real or personal property of the type insured under this Policy for the perils insured under this Policy that is rented, leased, or purchased by the Insured after the inception date of this Policy. Coverage under this additional coverage ceases at the earlier of the following dates:
 1. See Compass Supplemental Declarations from the date of acquisition or lease of such property; or
 2. When the newly acquired location is bound by the Companies; or
 3. The Program Manager notifies the Insured that it will not bind the newly acquired location.

There is no coverage for any property that is partially or wholly insured under any other insurance.

There is no coverage under this Paragraph for loss or damage which is covered under the Error or Omissions or **Miscellaneous Unnamed Locations** provisions of this Policy.

- M. **ORDINANCE OR LAW:** In the event of direct physical loss or damage under this Policy that results in the enforcement of any law, ordinance, governmental directive or standard in effect at the time of loss or damage regulating the construction, repair or use and occupancy of the property, the Companies shall pay:
 1. Coverage A: For the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.
 2. Coverage B: For the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

3. Coverage C: For the increased cost of repair or replacement of the damaged and undamaged Building on the same or another site, limited to the cost that would have been incurred in order to comply with the minimum requirements of such law or ordinance regulating the repair or reconstruction of the damaged property on the same site. However, these Companies shall not be liable for any increased cost of construction loss unless the damaged property is actually rebuilt or replaced.
4. Coverage D: For the additional loss in Time Element (if covered), that the Insured sustains during the increased period of suspension of operations caused by or resulting from a consequence of enforcement of an ordinance or law.
5. Coverage E (Down-Zoning): In the event the enforcement of an applicable Ordinance or Law results in the requirement to demolish and not replace the damaged Building(s), the Companies agree to pay the greater of: a) the Actual Cash Value; or b) the outstanding loan balance including accrued fees, if applicable, as determined at the time of loss for the **Building(s)** not permitted to be rebuilt.

In the event the damaged **Building(s)** is permitted to be repaired or rebuilt, but only to a more limited extent as a consequence of the enforcement of any applicable Ordinance or Law, the Companies agree to pay: a) Replacement Cost for the repair of or construction of the permitted structure(s); and b) Actual Cash Value for the incremental portion of the original building that is not permitted to be repaired or replaced.

Loss of Rents (if covered) shall include rents for those units that are unable to be rebuilt due to an Ordinance or Law Down-Zoning. Loss of Rents for those units not rebuilt due to Down-Zoning shall cease no later than the number of days as granted by the Extended Period of Indemnity

Coverage under this clause does not increase the applicable scheduled Limit of Insurance for the damaged **Building(s)**.

The Companies shall not be liable for any cost of demolition or increased cost of reconstruction, repair, debris removal or loss of use (including Time Element) necessitated by the enforcement of any law or ordinance regulating any form of contamination or pollution.

- N. PAIRS OR SETS: If two or more components or parts are necessary for a whole or complete product, then this Policy covers the reduction in value of insured components or parts of products due to direct physical loss or damage insured against by this Policy to the other insured components or parts of such products.
- O. PROFESSIONAL FEES: This Policy is extended to cover reasonable and necessary "Claim Preparation Costs" (as defined below) incurred by the Insured at the request of the Companies for the purpose of determining the extent or amount of insured loss or damage as a result of a Covered Cause of Loss under this Policy, provided that, the Insured obtains the prior written approval of the Companies for the vendor to be engaged by the Insured.

Claim Preparation Costs means:

1. The cost of taking inventory and the cost of gathering and preparing other data to substantiate the extent or amount of loss or damage; and
2. The cost of services provided by accountants, contractors and engineers solely for the purpose of determining the extent or amount of loss.

Claim Preparation Costs does not mean and does not include:

1. Legal fees, charges and expenses;
2. Fees and costs of a public claims adjuster, claim consultant, insurance broker or agent (except forensic accounting services), or any person acting for or on behalf of a public claims adjuster, claim consultant, or insurance broker or agent;

3. Costs associated with negotiation or presentation of any claim or part of a claim that the Companies have advised the Insured is disputed or denied;
 4. Costs associated with establishing that any claim or part of a claim is covered by the Policy; or
 5. Costs which represent overhead or operating expense of any Insured, including salaries of such Insured's employees.
- P. **PROPERTY REMOVED FROM INSURED LOCATIONS:** This Policy covers direct physical loss or damage to personal property of the Insured by a Covered Cause of Loss at any **Location** within the Coverage Territory when such personal property is removed from the insured **Locations** for the purpose of being repaired or serviced, excluding:
1. Personal property insured under another policy or floater;
 2. Personal property excluded under this Policy; or
 3. Personal property removed from the insured **Locations** for normal storage or processing or preparation for sale or delivery.
- Q. **REWARD REIMBURSEMENT:** This Policy covers monetary rewards for information that leads to a criminal conviction in connection with loss or damage to covered property by a Covered Cause of Loss.
- R. **SERVICE INTERRUPTION:** This Policy is extended to cover the loss or damage to Covered Property and Time Element (provided Time Element values are reported) resulting from direct physical loss or damage from a Covered Cause of Loss to: (1) incoming electrical, gas, water and telecommunication equipment and outgoing sewer; or (2) electrical, telecommunication, fuel, water, steam, refrigeration, or other service transmission lines; all situated outside the insured **Locations**.

However, this extension of coverage DOES NOT apply to any loss caused by damage to any utility service listed in (1) or (2) above, if located more than five (5) statute miles from the Insured's covered **Location**.

There shall be no loss payable under this Additional Coverage unless the interruption exceeds the qualifying period shown elsewhere. In such case, the loss shall be measured from date and time of the loss. With respect to any Time Element Coverage provided herein, the Period of Interruption ends when: (1) incoming electrical, gas, water, or telecommunication equipment or outgoing sewer or (2) electrical, telecommunication, fuel, water, steam, refrigeration, or other service transmission lines, is restored.

The Sublimit shown elsewhere applies to all loss or damage to Covered Property and/or Time Element Coverage, combined arising out of one Service Interruption. None of the additional Time Element Coverages set forth in Section V.C. apply to the Time Element Coverage provided herein, except Rental Value.

- S. **SPOILAGE:** This policy is extended to cover spoilage as a direct result of a Covered Cause of Loss and subject to the additional exclusions listed below. The Companies shall be liable for direct physical loss or damage to:
1. Perishable goods due to spoilage;
 2. Perishable goods due to contamination from the release of refrigerant, including but not limited to ammonia;
 3. Perishable goods due to spoilage caused by a Covered Cause of Loss to equipment that is owned by a utility, landlord, or other supplier of any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, gas, air, water or steam.

If the Insured is unable to replace the perishable goods before its anticipated sale, payment will be determined on the basis of the sales price of the perishable goods at the time of the loss, less discounts

and expenses that otherwise would have been incurred. Otherwise, payment will be determined in accordance with the Valuation provision of this Policy.

Perishable Goods means personal property:

1. maintained under controlled conditions for its preservation, and
2. susceptible to loss or damage if the controlled conditions change.

Additional Exclusions: The Companies shall not be liable for loss or damage caused by or resulting from:

1. The disconnection of any refrigerating, cooling or humidity control system from the source of power.
2. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.

T. TRANSIT: This Policy is extended to cover personal property, not otherwise excluded by this Policy, while such property is in transit.

It is agreed that coverage under this extension shall include the following:

1. Personal property shipped to customers on F.O.B., C&F, or similar terms. The Insured's contingent interest in such shipments is admitted.
2. The interest of the Insured in, and legal liability for, personal property of others in the actual or constructive custody of the Insured.
3. Personal property of others sold by the Insured which the Insured has agreed prior to loss to insure during course of delivery.

It is agreed that the following additional exclusions apply to coverage as provided under this additional coverage:

1. Property insured under import or export ocean cargo policies.
2. Waterborne shipments to and from the Policy's Coverage Territory.
3. Shipments made by air, unless via regularly scheduled airlines.
4. Property shipped by mail.
5. Property of others, including the Insured's legal liability therefor, hauled on vehicles owned, leased, or operated by the Insured when acting as a common or contract carrier as defined by the Interstate Commerce Commission Regulations or other state regulatory agencies.
6. Any transporting vehicle or conveyance.
7. Waterborne shipments via the Panama Canal, or waterborne to and from the United States territories or possessions, Alaska, Puerto Rico, and Hawaii.

This additional coverage attaches from the time the property leaves the original point of shipment for the commencement of transit and covers thereafter continuously in the due course of transit within the Policy's Coverage Territory until delivered at destination.

Coverage on export shipments not insured under ocean cargo policies does not extend beyond the time when the property is loaded on board overseas vessels or aircraft. Coverage on import shipments not insured under ocean cargo policies does not attach until after discharge from overseas vessels or aircraft.

This additional coverage does not cover or apply to delay, loss of market, or any Time Element coverage.

Permission is granted to the Insured without prejudice to this insurance to accept the ordinary bills of lading used by carriers, including released and/or undervalued bills of lading and/or shipping or messenger receipts. The Insured may waive subrogation against railroads under sidetrack agreements, but the Insured shall not enter into any special agreement with carriers releasing them from their common law or statutory liability.

- U. **VALUABLE PAPERS AND RECORDS:** This Policy is extended to cover **Valuable Papers and Records.**

SECTION VII – CONDITIONS

- A. **ABANDONMENT:** There can be no abandonment to the Companies of any property.
- B. **ADJUSTMENT OF LOSSES and FIRST NAMED INSURED CLAUSE:** Loss or damage shall be adjusted with and payable to the First Named Insured, subject to any Certificates of Insurance on file with the Program Manager which require payment to a loss payee or mortgagee.

If this Policy insures more than one entity, the First Named Insured is authorized to act on behalf of all other Insureds with respect to their rights, obligations and duties under this Policy. Payment of loss or return premium under this Policy to the First Named Insured shall satisfy the Companies' obligations with respect to all Insureds.

- C. **ARBITRATION CLAUSE:** Any and all matters in difference between the Insured and the Companies (hereinafter referred to as "the parties") in relation to this insurance, including its formation and validity, and whether arising during or after the period of this insurance, shall be referred to an Arbitration Tribunal in the manner hereinafter set out.

Unless the parties agree upon a single Arbitrator within thirty days of one receiving a written request from the other for Arbitration, the Claimant (the party requesting Arbitration) shall appoint an Arbitrator of their choosing and give written notice thereof to the Respondent. Within thirty days of receiving such notice, the Respondent shall appoint his Arbitrator and give written notice thereof to the Claimant, failing which the Claimant may nominate an Arbitrator on behalf of the Respondent.

Should the Arbitrators fail to agree, they shall appoint, by mutual agreement only, an Umpire to whom the matter in difference shall be referred. If the Arbitrators cannot agree to an Umpire, either may request the selection be made by a federal judge in a United States court of competent jurisdiction.

Unless the parties otherwise agree, the Arbitration Tribunal shall consist of persons employed or engaged in a senior position in Insurance underwriting or claims.

The Arbitration Tribunal shall have power to fix all procedural rules for the holding of the Arbitration including discretionary power to make orders as to any matters which it may consider proper in the circumstances of the case with regard to pleadings, discovery, inspection of documents, examination of witnesses and any other matter whatsoever relating to the conduct of the Arbitration and may receive and act upon such evidence whether oral or written strictly admissible or not as it shall in its discretion think fit.

Each party will pay its chosen Arbitrator and bear the other expenses of the Arbitration and Umpire equally.

Any Arbitration hearing(s) shall take place in the State, indicated by the Insured's mailing address listed in the Declarations, unless the parties mutually agree otherwise. The Arbitration Tribunal shall apply the law of the State, as indicated by the Insured's mailing address listed in the Declarations, as the proper law of this insurance without regard to the choice-of-law provisions of said State.

The Arbitration Tribunal may not award exemplary, punitive, multiple, consequential, or other damages of a similar nature.

A decision agreed to by any two members of the Arbitration Tribunal shall be binding. The award of the Arbitration Tribunal shall be in writing and binding upon the parties who covenant to carry out the same. If either of the parties should fail to carry out any award the other may apply for its enforcement to a court of competent jurisdiction in any territory in which the party in default is domiciled or has assets or carries on business.

- D. ASSIGNMENT: The Insured may not assign this Policy without the Companies' prior written consent.
- E. BRANDS AND LABELS: If branded or labeled merchandise covered by this Policy is physically damaged and the Companies elect to take all or any part of such merchandise at the value established by the terms of this Policy, the Insured may, at their own expense, stamp "SALVAGE" on the merchandise or its containers, or may remove or obliterate the brands or labels, if such stamp, removal or obliteration will not physically damage the merchandise, but the Insured must re-label the merchandise or containers in compliance with the requirements of law.
- F. CANCELLATION AND ADDITIONS OR DELETIONS:
 - 1. This Policy can be canceled by the First Named Insured by providing the Companies with:
 - a. An advanced written request for cancellation stating when the cancellation shall be effective and,
 - b. The original Policy or a lost policyholder release signed by the First Named Insured or its legal representative.
 - 2. This Policy may be canceled by the Companies by giving to the Insured at least sixty (60) days written notice of cancellation or in the case of non-payment of premium or material misstatement, at least ten (10) days written notice of cancellation.
 - 3. The cancellation will be effective even if the Companies have not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.
 - 4. If this Policy is cancelled, the Companies will send the First Named Insured any premium refund due.
 - 5. Earned Premium:
 - a. If the Insured cancels this Policy or removes a **Location**, the short rate return premium is 90% of applicable pro-rata premium subject to any Minimum Earned Premium stipulations in the Policy.

However, with respect to **Locations** which are within 100 miles of the closest salt water of the Atlantic Ocean or the Gulf of Mexico, if the Insured cancels this Policy, removes a **Location**, or reduces the amount of insurance on a **Location**, and coverage existed any time during the period of June 1st to November 1st, the amount of premium the Companies will return will be the Unearned Premium for the **Location**. The Unearned Premium is the **Location** premium times the Unearned Factor noted below:

Days of In-Force Coverage	Unearned Factor
1-90	65.0%
91-180	50.0%
181-210	30.0%
211-240	15.0%
241-270	7.5%
271-300	5.0%
301-330	2.5%
331 or more	0.0%

- b. For Locations which are within 100 miles of the closest salt water of the Atlantic Ocean or the Gulf of Mexico, if added to the policy or if coverage is increased at an existing Location during the term of the Policy, and coverage exists at any time during the period of June 1st to November 1st, the premium will be calculated at 100% of the annual rate, less the Unearned Factor noted in a. above. Otherwise, the additional premium shall be computed pro-rata.
- c. The provisions of this clause replace any short rate provisions stipulated in this Policy, all subject to the Minimum Earned Premium provisions.
- d. Nothing herein will act to provide coverage outside the automatic acquisition clause elsewhere in the Policy.
- e. Proof of mailing will be sufficient proof of notice of cancellation.

In the event of a total loss or constructive total loss to Covered Property by a Covered Cause of Loss, the premium applicable to that Covered Property shall be fully earned and no return premium will be due to the Insured.

- G. **CANCELLATION AND NON-RENEWAL:** This policy shall comply with laws and regulations of the controlling jurisdiction regarding cancellation and nonrenewal, and any provisions that conflict are hereby modified to comply minimally with such laws or regulations.
- H. **CONTROL OF DAMAGED MERCHANDISE:** The Insured, exercising reasonable discretion, shall be the sole judge as to whether the goods involved in any loss under this Policy are fit for normal intended use or consumption. No goods so deemed by the Insured to be unfit for consumption shall be sold or otherwise disposed of except by the Insured or with the Insured's consent, but the Insured shall allow the Companies any salvage obtained by the Insured on any sale or other disposition of such goods. The Insured shall have full right to the possession of and retain control of all goods involved in any loss under this Policy.
- I. **CONTROL OF PROPERTY:** Any act or neglect of any person other than the Insured beyond the Insured's direction or control will not affect this insurance.

- J. **CURRENCY:** Any amount of money specified in the Policy, including Limits of Liability, Deductibles, Premiums, and any loss payments shall be in the currency of the United States of America.
- K. **DIVISIBLE CONTRACT:** Subject to Condition O. below, if the **Locations** described in this Policy include two or more **buildings** or the contents of two or more **buildings**, the breach of any condition of this Policy in respect to any one or more of the **buildings** insured or containing the Covered Property, shall not prejudice the right to recover for physical loss or damage occurring in any **building** insured or containing the Covered Property where, at the time of such loss or damage, a breach of condition does not exist.
- L. **INSPECTION AND AUDIT:** The Companies, at all reasonable times during this Policy period, shall be permitted but not obligated to inspect the property insured by this Policy. Neither the Companies' right to make inspections nor the making thereof nor any report thereon shall constitute any undertaking by the Companies, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property is safe or healthful or that they comply with any law, rule or regulation.

The Companies may also examine and audit the Insured's books and records at any reasonable time during the Policy period and within one year after the Policy termination, as long as such examination and audit relate to the subject matter of this Policy.

- M. **JOINT LOSS AGREEMENT:** In the event the insurance company, if any, providing Equipment Breakdown insurance ("EBD insurer") disputes any portion of the claim made against that EBD insurer, but these Companies believe the EBD insurer should have paid that portion of the claim, then these Companies shall, upon written request of the Insured, pay to the Insured one-half of the amount of the loss which is in disagreement, but in no event more than these Companies would have paid if there had been no Equipment Breakdown policy in effect, subject to the following conditions:
1. The amount of the loss which is in disagreement, after making provisions for any undisputed claims payable under the said policies and after the amount of the loss is agreed upon by the Insured and all of the insurers, is limited to the minimum amount remaining payable under the Equipment Breakdown policy;
 2. The EBD insurer shall simultaneously pay to the Insured one-half of said amount which is in disagreement;
 3. The payments by all of the insurers hereunder and acceptance of the same by the Insured signify the agreement of all the insurers to submit to and proceed with arbitration within 90 days of such payments; the arbitrators shall be three in number, one of whom shall be appointed by the Property insurance Companies and one of whom shall be appointed by the EBD insurer and the third shall be appointed with the consent of the Property insurance Companies and the EBD insurer, and the decision by the arbitrators shall be binding upon all the insurers and that judgment upon such award may be entered in any court of competent jurisdiction;
 4. The Insured agrees to cooperate in connection with such arbitration but not to intervene therein;
 5. The provisions of this clause shall not apply unless such other policy issued by the EBD insurer is similarly endorsed;
 6. Acceptance by the Insured of sums paid pursuant to the provisions of this clause, including an arbitration award, shall not operate to alter, waive, surrender, or in any way affect the rights of the Insured against any of the insurers.

N. **LOSS PAYEES, LENDER'S LOSS PAYEES, AND MORTGAGEES (OR TRUSTEES):**

1. Loss, or damage, if any, under this Policy shall be payable to:

- a. any Loss Payee or Lender's Loss Payee as its interest may appear; and
 - b. any Mortgagee (or Trustee) as its interest may appear under all present or future mortgages upon the insured property in which the aforesaid may have an interest as Mortgagee (or Trustee), in order of precedence of said mortgages.
 - c. Insurance Trustee: If the Insured names an Insurance Trustee, the Companies will adjust the loss with the Insured, but will pay the Insurance Trustee. If the Companies pay the Insurance Trustee, the payments will satisfy the Insured's claim against the Companies.
2. As to the interest of the Lender's Loss Payee or Mortgagee (or Trustee) only, this insurance shall not be invalidated by any act or neglect of the Insured nor by any foreclosure or other proceedings or notice of sale relating to said property nor by any change in the title or ownership of said property, nor by the occupation of the insured **Locations** for purposes more hazardous than are permitted by this Policy; provided, that in case the Insured shall neglect to pay any premium due under this Policy, the Lender's Loss Payee or Mortgagee (or Trustee) shall, on demand pay the same.

The Lender's Loss Payee or Mortgagee (or Trustee) must notify the Program Manager of any change of ownership or occupancy or increase of hazard which shall come to the knowledge of the Lender's Loss Payee or Mortgagee (or Trustee) and, unless permitted by this Policy it shall be noted hereon and the Lender's Loss Payee or Mortgagee (or Trustee) shall, on demand, pay the premium for such increased hazard; otherwise, this entire Clause 2. shall be null and void.

- 3. If the Companies cancel this Policy, they will give written notice:
 - a. ten (10) days before the effective date, if cancellation is for non-payment of premium or material mis-statement; or
 - b. sixty (60) days before the effective date, if cancellation is for any other reason.
 - 4. Nothing herein shall affect the rights of the Companies to suspend insurance [which shall include any insurance applying to the interest of the Loss Payee, Lender's Loss Payee, or Mortgagee (or Trustee)] on any machine, vessel or part thereof in accordance with the Suspension Clause of Equipment Breakdown (if such coverage is provided by endorsement to this policy). The Companies agree to furnish the Loss Payee, Lender's Loss Payee, or Mortgagee (or Trustee) with a copy of the suspension notice at the Loss Payee's, Lender's Loss Payee's, or Mortgagee's (or Trustee's) address.
 - 5. Whenever the Companies shall pay the Loss Payee, Lender's Loss Payee, or Mortgagee (or Trustee) any sum for loss under this Policy and shall claim that, as to the Insured, no liability therefor existed, the Companies shall, to the extent of such payment, be subrogated to all the rights of the party to whom such payment shall be made, under all securities held as collateral to the debt, or may, at their option pay to the Loss Payee, Lender's Loss Payee, or Mortgagee (or Trustee) the whole principal due or to grow due on the debt with interest, and shall thereupon receive a full assignment and transfer of all rights and securities; but no subrogation shall impair the right of the Loss Payee, Lender's Loss Payee, or Mortgagee (or Trustee) to recover the full amount of the Loss Payee's, Lender's Loss Payee's or Mortgagee's (or Trustee's) claim.
- O. MISREPRESENTATION AND FRAUD: This entire Policy shall be void if, whether before or after a loss, the Insured has willfully concealed or misrepresented any material fact or circumstance concerning this insurance or the subject thereof, or the interest of the Insured therein, or in case of any fraud, or false swearing by the Insured relating thereto.
- P. OTHER INSURANCE/EXCESS INSURANCE/UNDERLYING INSURANCE: In the event there is other insurance covering loss or damage insured under this Policy, then this Policy shall apply only as excess and in no event as contributory insurance (unless this Policy is specifically written to be

contributory insurance), and then only after all other insurance has been exhausted, whether or not such insurance is collectible. Permission is granted for the Insured to purchase Excess Insurance over the limits provided by this Policy, and underlying insurance on all or any part of the deductibles of this Policy.

However, in the event the Named Insured is a Condominium Association, the Unit-Owner may have other insurance covering the same property as this insurance. This insurance is intended to be Primary, and not to contribute with other such Unit-Owner insurance.

- Q. PROTECTION AND PRESERVATION OF PROPERTY: In case of actual or imminent direct physical loss or damage by a Covered Cause of Loss, the expenses incurred by the Insured in taking reasonable and necessary actions for the temporary protection and preservation of Covered Property hereunder shall be added to the total physical loss or damage otherwise recoverable under this Policy and be subject to the applicable deductible, sublimit of liability and the Policy Limit.

If, as a result of the Insured's efforts to protect the insured property, no direct physical loss or damage occurs to the insured property, the applicable Deductible shall be that deductible that would have applied to the Covered Cause of Loss from which the Insured protected the property.

- R. REINSTATEMENT OF LIMITS: Except for any Covered Cause of Loss which is subject to an aggregate limit or sublimit of liability, payment of a claim will not reduce the amount payable under this Policy for any subsequent covered loss.

- S. REQUIREMENTS IN CASE OF LOSS: The Insured shall:

1. Give immediate written notice of any loss or damage to the Program Manager's Claims Department;
2. Promptly contact the applicable authority having jurisdiction in the event a law has been broken, and promptly file a written report with such authority;
3. Protect the property from further loss or damage;
4. Separate the damaged and undamaged personal property;
5. Maintain such property in the best possible order;
6. Furnish a complete inventory of the lost, destroyed, damaged and undamaged property, showing in detail quantities, costs, actual cash value and amount of loss claimed;
7. Furnish all other documents or insurance policies that the Companies may reasonably require;
8. Allow the Companies to access and inspect any of the damaged or undamaged property; and
9. Submit to examination under oath at such times as may be reasonably required about any matter relating to this insurance or any claim;

Within ninety (90) days after the loss, unless such time is extended in writing by the Companies, the Insured shall provide the Companies with a Proof of Loss, signed and sworn to by the Insured, stating the knowledge and belief of the Insured as to the following:

1. The time and origin of the loss;
2. The interest of the Insured and of all others in the property;
3. The value of each item thereof determined in accordance with the Valuation Provisions of this Policy and the amount of loss thereto and all encumbrances thereon;
4. All other contracts of insurance, whether collectible or not, covering any of said property; and

5. Any changes in the title, use, occupation, location, possession or exposures of said property subsequent to the issuance of this Policy, by whom and for what purpose any building herein described, and the several parts thereof were occupied at the time of loss whether or not it then stood on leased ground.

- T. REVIEW OF VALUES: The Insured shall provide the Program Manager at Policy inception and each subsequent anniversary date of this Policy, a Statement of Values which consists of the current 100% Property and Time Element values for all insured **Locations**.

Such values shall be reported separately for each **Location**, with separate figures shown for each type of coverage at each **Location**. The property values shall be shown on a Replacement Cost Basis for property which is covered on a Replacement Cost basis and on an **Actual Cash Value** basis for other property. The value of stock and supplies to be included in the property values shall be in accordance with the Valuation clause contained in this Policy and shall be based on the approximate average of the stock and supplies on hand during the twelve months immediately preceding the annual review of values. Time Element values (if covered) shall be provided in accordance with the terms of the applicable Time Element provisions.

Upon inception and at each anniversary date of this Policy, the Annual Premium shall be due and payable to the Program Manager. Receipt of said Statement of Values by the Program Manager shall be considered as authorization by the Insured for premiums under this Policy to be calculated.

The premium for this Policy is based upon the Statement of Values on file with the Program Manager, or attached to this Policy.

- U. SALVAGE AND RECOVERIES: All salvages, recoveries and payments, excluding proceeds from subrogation and underlying insurance recovered or received prior to a loss settlement under this Policy, shall reduce the loss accordingly.
- V. SETTLEMENT OF CLAIMS: The amount of loss for which the Companies may be liable shall be payable within thirty (30) days after Proof of Loss, as herein required, is received and accepted by the Companies and ascertainment of the amount of loss is made either by agreement between the First Named Insured and the Companies or an amount is determined by binding Arbitration in accordance with the provisions of this Policy.

The Companies shall have the option to take all, or any part of the property at the agreed or arbitrated value, or to repair, rebuild or replace the property physically lost or damaged with other of like kind and quality, within a reasonable time, on giving notice of its intention to do so within sixty (60) days after receipt of the Proof of Loss herein required.

- W. SEVERAL LIABILITY NOTICE
LMA5096 03/08 (Combined Certificate) - amended

The liability of an insurer under this Policy is several and not joint with other insurers party to this Policy. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this Policy.

The proportion of liability under this Policy underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this Policy.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer.

that may underwrite this Policy. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA United Kingdom. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's, at the above address. Although reference is made at various points in this clause to "this Policy" in the singular, where the circumstances so require this should be read as a reference to Policies in the plural.

Wherever the word Insurers is mentioned in this clause, this is deemed to also mean reinsured in respect of reinsurance business.

- X. SUBROGATION: The Companies may require from the Insured an assignment of all right of recovery against any party for loss to the extent that payment has been made by the Companies, but the Companies shall not acquire any rights of recovery which the Insured has expressly waived in writing prior to loss nor shall such waiver in writing affect the Insured's rights under this Policy.

The Companies do waive rights of recovery against any unit-owner of a Condominium Association.

However, notwithstanding the foregoing, the Companies shall be subrogated to all the Insured's rights of recovery against:

1. any Architect or Engineer, whether named as an Insured or not, for any loss or damage arising out of the performance of professional services in their capacity as such and caused by an error, omission, deficiency or act of the Architect or Engineer, by any person employed by them or by any others for whose acts they are legally liable, and
2. any manufacturer or supplier of machinery, equipment or other property, whether named as an Insured or not, for the cost of making good any loss or damage which said party has agreed to make good under a guarantee or warranty, whether expressed or implied.

Any recovery as a result of subrogation proceedings arising out of an **Occurrence**, after expenses incurred in such subrogation proceedings are deducted, shall accrue to the Insured in the proportion that the deductible amount and/or any provable uninsured loss amount bears to the entire provable loss amount.

The Insured will cooperate with the Companies and, upon the Companies' request and expense will:

1. Attend hearings and trials; and
2. Assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses, and conducting suits.

- Y. SUIT AGAINST COMPANIES: No suit, action or proceeding for the recovery of any claim under this Policy shall be sustainable in any court of law or equity unless the Insured shall have fully complied with all the requirements of this Policy, nor unless the same be commenced within twelve (12) months next after the date of the loss, provided however, that if under the laws of the jurisdiction in which the property is located such time limitation is invalid, then any such claims shall be void unless such action, suit or proceedings is commenced within the shortest limit of time permitted by the laws of such jurisdiction.

- Z. TERRITORIAL LIMITATIONS: Payment of loss under this Policy shall only be made in full compliance with all United States of America economic or trade sanction laws or regulations, including, but not limited to, sanctions, laws and regulations administered and enforced by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC").

- AA. TITLES OF PARAGRAPHS: The titles of the various paragraphs of this Policy (and of endorsements included in this Policy) are solely for reference and shall not in any way affect the provisions to which they relate.

- BB. VACANCY: The Insured has permission to cease operations or remain vacant or unoccupied at an insured **Location** for up to 90 days. Beyond the 90th consecutive day of cessation of operations,

vacancy or not occupied, whether or not that period of time commenced prior to or during the Policy Period, any loss or damage caused by or resulting, directly or indirectly, from **Vandalism and Malicious Mischief**, sprinkler leakage, glass breakage, water, theft or attempted theft is excluded; however these restrictions in coverage will not apply if the Insured maintains existing heat, fire protection, security and alarm services.

This restriction does not apply to any **Location** in the course of construction or renovation.

SECTION VIII – POLICY DEFINITIONS

- A. **Actual Cash Value:** The following is added to any provision which uses the term Actual Cash Value:

Actual Cash Value is calculated as the amount it would cost to repair or replace Covered Property, at the time of loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence. Actual Cash Value applies to valuation of Covered Property regardless of whether that property has sustained partial or total loss or damage.

The Actual Cash Value of the lost or damaged property may be significantly less than its replacement cost.

- B. **Aircraft or Vehicle Impact** means only physical contact of an aircraft, spacecraft, self-propelled missile, or objects falling therefrom, or vehicle or an object thrown up by a vehicle.
- C. **Average Daily Value (ADV):** Average Daily Value shall be the total 100% Time Element Value that would have been projected for the Period of Interruption for the **Location(s)** where the physical loss or damage occurs, had no physical loss or damage occurred, divided by the number of working days in such period. The sum shall include all Time Element values to which the operations of the **Locations(s)** directly or indirectly contribute.
- D. **Building:** Building is defined as a fully enclosed permanent structure with walls and a continuous roof; and such structure while in the course of construction.
- E. **Catastrophic Ground Cover Collapse** means direct physical loss or damage to Covered Property caused by or resulting from catastrophic ground cover collapse, meaning geological activity that results in all of the following:
1. The abrupt collapse of the ground cover;
 2. A depression in the ground cover clearly visible to the naked eye;
 3. Structural damage to the building, including the foundation; and
 4. The insured **Building** or structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

However, structural damage consisting merely of the settling or cracking of a foundation, structure or building does not constitute loss or damage resulting from a catastrophic ground cover collapse.

The Earth Movement exclusion does not apply to coverage for Catastrophic Ground Cover Collapse.

Coverage for Catastrophic Ground Cover Collapse does not increase the applicable Limit of Insurance. Regardless of whether loss or damage attributable to catastrophic ground cover collapse also qualifies as Sinkhole Loss or Earth Movement (if either or both of these causes of loss are covered), only one Limit of Insurance will apply to such loss or damage.

- F. **Collapse** means an abrupt falling down or caving in of a **building** or any part of a **building** with the result that the **building** or part of the **building** cannot be occupied for its current intended purpose. The Collapse must be caused by or resulting from one or more of the following:

1. Building decay that is hidden from view, unless the presence of such decay is known to the Insured prior to collapse;
2. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to the Insured prior to collapse;
3. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of construction, remodeling or renovation.
4. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - a. A cause of loss listed in F.1, or F.2;
 - b. One or more of the **Defined Causes of Loss**;
 - c. Breakage of building glass;
 - d. Weight of people or personal property; or
 - e. Weight of rain or snow or ice that collects on a roof.

5. Catastrophic Ground Cover Collapse.

- G. **Companies:** The following words shall be synonymous with each other: "Underwriters", "Insurers" and "Companies".
- H. **Contractor's Equipment:** Machinery, accessories, equipment, spare parts or tools of a mobile nature that are used in contracting, installation, erection, repair or moving operations and projects. It includes self-propelled vehicles that transport mounted equipment and any vehicle not registered or licensed and not used on public roads, even though designed for highway use.
- I. **Defined Cause of Loss** means Fire, Lightning, **Explosion, Windstorm or Hail, Smoke, Aircraft or Vehicle Impact, Riot, Strike or Civil Commotion, Vandalism and Malicious Mischief, or Leakage from Fire Protection Equipment.**
- J. **Earth Movement** means any natural or manmade:
1. Earthquake, including any earth sinking, rising or shifting related to such event;
 2. Landslide, including any earth sinking, rising or shifting related to such event;
 3. Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
 4. Earth sinking, rising or shifting, including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface;
 5. Shocks, tremors, mudslide, mud flow, rock falls, volcanic eruption, **Sinkhole Loss**, subsidence or any other **Earth Movement**.
- K. **Earth Movement Counties:** As referenced in this Policy, designated Earthquake Zones shall be defined as all **Locations** situated within the States or Counties as specified below:
1. **Pacific Northwest States:**

Oregon and Washington.

2. **New Madrid Earthquake Zone Counties:**

Arkansas: Arkansas, Clay, Cleburne, Conway, Craighead, Crittenden, Cross, Desha, Faulkner, Fulton, Independence, Izard, Greene, Jackson, Jefferson, Lawrence, Lee, Lincoln, Lonoke, Mississippi, Monroe, Phillips, Prairie, Poinsett, Pulaski, Randolph, Sharp, St. Francis, Stone, Van Buren, White, and Woodruff.

Illinois: Alexander, Bond, Calhoun, Christian, Clark, Clay, Clinton, Coles, Crawford, Cumberland, Edwards, Effingham, Fayette, Franklin, Gallatin, Greene, Hamilton, Hardin, Jackson, Jasper, Jefferson, Jersey, Johnson, Lawrence, Macoupin, Madison, Marion, Massac, Monroe, Montgomery, Moultrie, Perry, Pope, Pulaski, Randolph, Richland, Saline, Shelby, St. Clair, Union, Wabash, Washington, Wayne, White, and Williamson.

Indiana: Daviess, Dubois, Gibson, Knox, Perry, Pike, Posey, Spencer, Sullivan, Vanderburgh, and Warrick.

Kentucky: Ballard, Caldwell, Calloway, Carlisle, Christian, Crittenden, Daviess, Fulton, Graves, Hancock, Henderson, Hickman, Hopkins, Livingston, Lyon, Marshall, McCracken, McLean, Muhlenberg, Ohio, Todd, Trigg, Union, and Webster.

Mississippi: Alcorn, Benton, Bolivar, Coahoma, De Soto, Lafayette, Marshall, Panola, Quitman, Sunflower, Tallahatchie, Tate, Tippah, Tunica, and Union.

Missouri: Bollinger, Butler, Cape Girardeau, Carter, Crawford, Dent, Dunklin, Franklin, Howell, Iron, Jefferson, Lincoln, Madison, Mississippi, New Madrid, Oregon, Pemiscot, Perry, Reynolds, Ripley, Scott, Shannon, St. Charles, St. Francois, St. Louis City, St. Louis, Ste. Genevieve, Stoddard, Warren, Washington, and Wayne.

Tennessee: Benton, Carroll, Chester, Crockett, Decatur, Dickson, Dyer, Fayette, Gibson, Hardeman, Hardin, Haywood, Henderson, Henry, Hickman, Houston, Humphreys, Lake, Lauderdale, Madison, McNairy, Montgomery, Obion, Perry, Shelby, Stewart, Tipton, and Weakley.

- L. **Electronic Data and Media** means data, messages, information, coding, programs, instructions or any other software stored on electronic, electromechanical, electromagnetic data processing or electronically controlled production equipment and distributed by means of a computer network or is produced in a format for use with a computer.
- M. **Equipment Breakdown** means physical damage to covered equipment that is a direct result of an Accident. Accident means a fortuitous event that causes direct physical loss or damage to Covered Property. The event must be one of the following:
1. Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 2. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
 3. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the Insured, or operated under the control of the Insured;
 4. Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 5. Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.
- N. **Explosion:** Explosion does not include loss or damage occasioned by or incident to explosion in or of the following equipment owned, operated or controlled by the Insured:

1. Steam boiler, steam turbines, steam engines, and steam pipes interconnecting any of the foregoing;
2. Moving or rotating machinery or parts thereof when such direct loss or damage is caused by centrifugal force or mechanical breakdown;
3. Any products manufactured by the Insured or other property attached thereto or forming or to form a part thereof undergoing pressure tests to the extent of the loss to such property.

Explosion will include loss or damage arising or resulting from:

1. The explosion of accumulated combustible gases or unconsumed fuel within the furnace of a boiler or pressure vessel, or within the flues or passages which conduct the gases of combustion therefrom;
2. A combustion explosion outside of any equipment excluded above even though such combustion explosion may have been the direct result of the explosion or such excluded equipment.

The following are not explosions within the intent or meaning of this definition:

1. Electric arcing or any coincident rupture of electrical equipment due to such arcing;
 2. Bursting or rupture caused by freezing;
 3. Sonic shock waves, generally known as Sonic Boom;
 4. Bursting, rupture or collapse of any safety disc, rupture diaphragm or fusible link.
- O. **Exterior Insulation and Finish Systems (EIFS):** means a non-load bearing, exterior wall cladding system that consists of an expanded foam insulation board attached either adhesively or mechanically, or both, to a substrate; an integrally reinforced base coat; and a textured protective finish coat.
- P. **Fine Arts** means: paintings; etchings; pictures; tapestries; rare or art glass; art glass windows; valuable rugs; statuary; sculptures; antique furniture; antique jewelry; bric-a-brac; porcelains; and similar property of rarity, historical value, or artistic merit, excluding automobiles, coins, stamps, furs, jewelry, precious stones, precious metal, watercraft, aircraft, money and securities.
- Q. **Flood** means, whether natural or manmade: Flood waters, surface water, waves, tide or tidal water, tsunami, overflow or rupture of a dam, levee, dike, floodgates, or other surface containment structure, storm surge, the rising, overflowing or breaking of boundaries of natural or manmade bodies of water, or the spray from any of the foregoing, all whether driven by wind or not.

Water which backs up or discharges from sewers, drains or sumps is a separate Covered Cause of Loss and is not considered Flood; unless such backup or discharge was caused by Flood as defined above, at which point the backup or discharge shall be considered Flood.

R. **Fungus, Mold(s), Mildew, Spores Or Yeast:**

Fungus includes, but is not limited to, any of the plants or organisms belonging to the major group fungi, lacking chlorophyll, and including mold(s), rusts, mildews, smuts and mushrooms.

Mold includes, but is not limited to, any superficial growth produced on damp or decaying organic matter or on living organisms, and fungi that produce mold(s).

Spore means any dormant or reproductive body produced by or arising or emanating out of any fungus, mold(s), mildew, plants, organisms or microorganisms.

S. **Hurricane:** A hurricane is a storm system that has been declared to be a Hurricane by the National Hurricane Center of the National Weather Service. If **Flood** is caused by, results from, or

accompanies a Hurricane, then any physical loss or damage caused by, resulting from, or arising out of that **Flood** shall be treated as **Flood**, and not Hurricane, for purposes of exclusions, deductibles, limits and sublimits hereunder.

T. **Land** means land (except land for which values are reported and premiums are charged hereunder), including dikes, levees, and other surface containment structures. Surface containment structures are not land to a depth of six inches below such surface containment structures.

U. **Leakage From Fire Protection Equipment** means direct physical loss or damage from:

1. Water or other substances discharged from within any part of the **Fire Protection Equipment** for the insured **Location** or for any adjoining **Locations**;
2. Collapse or fall of tanks forming a part of the **Fire Protection Equipment** or the component parts or supports of such tanks.

The term **Fire Protection Equipment** includes tanks, water mains, hydrants or valves, and any other equipment whether used solely for fire protection or jointly for fire protection and for other purposes, but does not include:

1. Branch piping from a joint system where such branches are used entirely for purposes other than fire protection;
2. Any underground water mains or appurtenances located outside of the insured **Location** and forming a part of the public water distribution system;
3. Any pond or reservoir in which the water is impounded by a dam.

V. **Location** means any building, yard, dock, wharf, pier or bulkhead or any group of the foregoing bounded on all sides by public streets, clear land space or open waterways, each not less than two hundred feet wide. Any bridge or tunnel crossing such street, space or waterway shall render such separation inoperative for the purpose of this definition.

W. **Miscellaneous Unnamed Location(s)** means a location that has not been included in the Statement of Values on file with the Program Manager and has not been reported to the Program Manager as may be required in the Policy provisions elsewhere.

There is no coverage under this Paragraph for loss or damage which is covered under the Error or Omissions or Newly Acquired Property provisions of this Policy.

X. **Named Storm:** The term "Named Storm" shall include, but not be limited to, storm, cyclone, typhoon, atmospheric disturbance, depression or other weather phenomena designated by the US National Hurricane Center and where a name (and not only a number) has been applied. If **Flood** is caused by, results from, or accompanies a Named Storm, then any physical loss or damage caused by, resulting from, or arising out of that **Flood** shall be treated as **Flood**, and not Named Storm, for purposes of exclusions, deductibles, limits and sublimits hereunder.

Y. **Occurrence** means any one loss, disaster, casualty, incident or series of losses, disasters, casualties or incidents, not otherwise excluded by this Policy and arising out of a single event or originating cause and includes all resultant or concomitant insured losses. The **occurrence** must occur during the policy period.

If more than one event for **Windstorm & Hail, Named Storm, Riot Strike Or Civil Commotion, Vandalism & Malicious Mischief, Flood**, or Terrorism covered by this Policy occurs within any period of 72 hours during the term of this Policy, such covered events shall be deemed to be a single **Occurrence**. When filing Proof of Loss, the Insured may elect the moment at which the 72 hour period shall be deemed to have commenced, which shall not be earlier than the time when the first loss occurs to the Covered Property.

If more than one event for **Earth Movement** covered by this Policy occurs within any period of 168 hours during the term of this Policy, such covered events shall be deemed to be a single **Occurrence**. When filing Proof of Loss, the Insured may elect the moment at which the 168 hour period shall be deemed to have commenced, which shall not be earlier than the time when the first loss occurs to the Covered Property.

- Z. **Pollutants or Contaminants** means any solid, liquid, gaseous or thermal irritant or contaminant, including smog, smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste, which after its release can cause or threaten damage to human health or human welfare or causes or threatens damage, deterioration, loss of value, marketability or loss of use to property insured hereunder, including, but not limited to, bacteria, virus, or hazardous substances as listed in the Federal Water Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976, and Toxic Substances Control Act or as designated by the U. S. Environmental Protection Agency. Waste includes materials to be recycled, reconditioned or reclaimed.

AA. **Riot, Strike or Civil Commotion** means riot and civil commotion including:

1. Acts of striking employees while occupying the insured **Location**; and
2. Pilferage or looting occurring at the time and place of a riot or civil commotion.

BB. **Sinkhole Loss**

1. As respects locations in all states, EXCEPT Florida:

Sinkhole Loss means: The sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This does not include:

- a. The cost of filling sinkholes; or
- b. Sinking or collapse of land into man-made underground cavities.

2. As respects locations in Florida:

- a. **Sinkhole Loss** means loss or damage to Covered Property when "structural damage" to the covered **Building**, including the foundation, is caused by settlement or systematic weakening of the earth supporting the covered **Building**, only if the settlement or systematic weakening results from contemporaneous movement or raveling of soils, sediments, or rock materials into subterranean voids created by the effect of water on a limestone or similar rock formation.

Coverage for Sinkhole Loss includes stabilization of the **Building** (including land stabilization) and repair to the foundation, provided such work is in accordance with the requirements of Florida Insurance Law and in accordance with the recommendation of a professional engineer and with notice to the Insured. The professional engineer must be selected or approved by the Companies. However, until the Insured enters into a contract for performance of building stabilization or foundation repair in accordance with the recommendations of the professional engineer as set forth in a report from the Companies:

- 1) The Companies will not pay for underpinning or grouting or any other repair technique performed below the existing foundation of the **Building**; and
- 2) The Companies' payment for Sinkhole Loss to Covered Property may be limited to the Actual Cash Value of the loss to such property.

The Insured must enter into a contract for the performance of building stabilization and/or foundation repair in accordance with the aforementioned recommendations, within 90 days after the Companies notify the Insured that there is coverage for Sinkhole Loss. After the Insured has entered into such contract, the Companies will pay the amounts necessary to begin and perform such repairs as the work is performed and the expenses are incurred.

However, if the professional engineer determines, prior to the Insured entering into the aforementioned contract or prior to the start of repair work, that the repairs will exceed the applicable Limit of Insurance, the Companies must either complete the recommended repairs or pay that Limit of Insurance upon such determination. If the aforementioned determination is made during the course of repair work and the Companies have begun making payments for the work performed, the Companies must either complete the recommended repairs or pay only the remaining portion of the applicable Limit of Insurance upon such determination. The most the Companies will pay for the total of all Sinkhole Loss, including **Building** and land stabilization and foundation repair, is the applicable Limit of Insurance on the affected **Building**.

The stabilization and all other repairs to the Covered Property must be completed within 12 months after entering into the contract for the performance of these repairs, unless:

- 1) There is a mutual agreement between the Insured and the Companies;
- 2) The claim is involved with the neutral evaluation process;
- 3) The claim is in litigation; or
- 4) The claim is under appraisal or mediation.

b. Sinkhole Loss does not include:

- 1) Sinking or collapse of land into man-made underground cavities; or
- 2) Earthquake.

c. With respect to a claim for alleged Sinkhole Loss, the following provision is added:

Following receipt by the Companies of a report from a professional engineer or professional geologist on the cause of loss and recommendations for land stabilization and repair of property, or if the Companies deny the claim, the Companies will notify the Insured of his right to participate in a neutral evaluation program administered by the Florida Department of Financial Services (hereinafter referred to as the Department). For alleged Sinkhole Loss to commercial residential or farm residential properties, this program applies instead of any mediation procedure set forth elsewhere in this policy, but does not invalidate the Appraisal Condition.

Either party may file a request with the Department for neutral evaluation; the other party must comply with such request. The Companies will pay reasonable costs associated with the neutral evaluation, regardless of which party makes the request. But if a party chooses to hire a court reporter or stenographer to contemporaneously record and document the neutral evaluation, that party must bear the costs of those services. The neutral evaluator will be selected from a list maintained by the Department. The recommendation of the neutral evaluator will not be binding on either party.

Participation in the neutral evaluation program does not change the Insured's right to file suit against the Companies, except that the time for filing suit is extended for a period of 60 days following the conclusion of the neutral evaluation process or five years, whichever is later.

- d. Coverage for Sinkhole Loss does not increase the applicable Limit of Insurance. Even if loss or damage qualifies under, or includes, both Catastrophic Ground Cover Collapse (addressed elsewhere) and Sinkhole Loss, only one Limit of Insurance will apply to such loss or damage.
- e. The following provision is added to the REQUIREMENTS IN CASE OF LOSS Condition:

A claim for Sinkhole Loss, including but not limited to initial, supplemental and reopened claims is barred unless notice of claim is provided to the Companies in accordance with the terms of this policy within two years after the Insured knew or reasonably should have known about the Sinkhole Loss.

The following definitions are added with respect to the coverage provided for Sinkhole loss:

- 1) "Structural damage" means a covered **Building**, regardless of the date of its construction, has experienced the following:
 - a) Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior Building structure or members become unfit for service or represent a safety hazard as defined within the Florida Building Code;
 - b) Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the "primary structural members" or "primary structural systems" and that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those "primary structural members" or "primary structural systems" exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;
 - c) Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical "primary structural members" to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 - d) Damage that results in the building, or any portion of the Building containing "primary structural members" or "primary structural systems", being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such **Building** as defined within the Florida Building Code; or
 - e) Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.
- 2) "Primary structural member" means a structural element designed to provide support and stability for the vertical or lateral loads of the overall structure.
- 3) "Primary structural system" means an assemblage of "primary structural members".

- f. If the Companies deny the claim for Sinkhole Loss without performing testing under section 627.7072, Florida Statutes, the Insured may demand testing by communicating such demand to the Companies in writing within 60 days after the Insured receives the Companies' denial of the claim. The Insured is responsible for 50% of the testing costs, or \$2,500, whichever is less. If the Companies' professional engineer or geologist provides written certification, pursuant to section 627.7073, that there is sinkhole loss, the Companies will reimburse the Insured for the testing costs.
 - g. The Insured may not accept a rebate from any person performing repairs for Sinkhole Loss. If the Insured receives a rebate, coverage under this Policy is void and the Insured must refund the amount of the rebate to the Companies.
 - h. If the Companies deny the claim for Sinkhole Loss upon receipt of written certification from a professional engineer or geologist, pursuant to section 627.7073, that there is no Sinkhole loss or that the cause of the damage was not Sinkhole activity, and if the Sinkhole claim was submitted without good faith grounds for submitting such claim, the Insured shall reimburse the Companies for 50% of the actual costs of the analyses and services provided under sections 627.7072 and 627.7073, or \$2,500, whichever is less. The Insured is not required to pay such reimbursement unless the Insured requested the analysis and services and the Companies, before ordering the analysis, informed the Insured in writing of the potential for reimbursement and gave the Insured the opportunity to withdraw the claim.
 - i. As a precondition to accepting payment for Sinkhole loss, the Insured must file with the county clerk of court, a copy of any Sinkhole report regarding the property which was prepared on behalf or at the Insured's request. The Insured will bear the cost of filing and recording the sinkhole report.
- CC. **Smoke** means loss or damage ensuing from a sudden and accidental release of Smoke. The peril of Smoke does not include loss or damage caused by Smoke from agricultural smudging or industrial operations.
- DD. **Solar Power Systems** includes all primary solar equipment and supporting equipment including but not limited to controllers, batteries, transfer switches, capacitors, inverters, converters and associated equipment.
- EE. **Special Flood Hazard Areas** means areas of 100-year flooding as defined by the Federal Emergency Management Agency (FEMA) and shall only include those Flood Zones that are prefixed A or V.
- FF. **Tier 1 and Tier 2:** Shall be defined as all locations situated within Tier 1 or Tier 2 Counties, Parishes or Independent Cities as specified below:
- Alabama: Tier 1: Baldwin and Mobile.
Tier 2: Covington, Escambia, Geneva, and Houston.
 - Connecticut: Tier 1: Fairfield, Middlesex, New Haven, and New London.
Tier 2: None.
 - Delaware: Tier 1: Sussex.
Tier 2: Kent.
 - Florida: Tier 1: All counties.
Tier 2: None.
 - Georgia: Tier 1: Bryan, Camden, Chatham, Glynn, Liberty, and McIntosh.

	Tier 2: Brantley, Charlton, Effingham, Long, and Wayne.
<u>Hawaii:</u>	Tier 1: All counties. Tier 2: None.
<u>Louisiana:</u>	Tier 1: Cameron, Iberia, Jefferson, Lafourche, Orleans, Plaquemines, St Bernard, St Martin (South), St Mary, St Tammany, Terrebonne, and Vermilion. Tier 2: Acadia, Ascension, Assumption, Calcasieu, Iberville, Jefferson Davis, Lafayette, St Charles, St James, St John The Baptist, St Martin (North), Tangipahoa, and Washington.
<u>Massachusetts:</u>	Tier 1: Barnstable, Bristol, Dukes, Essex, Nantucket, Norfolk, Plymouth, and Suffolk. Tier 2: Middlesex.
<u>Maryland:</u>	Tier 1: Worcester. Tier 2: Calvert, Dorchester, St Mary's, Somerset, and Wilcomico.
<u>Maine:</u>	Tier 1: Cumberland, Hancock, Knox, Lincoln, Sagadahoc, Waldo, Washington, and York. Tier 2: None.
<u>Mississippi:</u>	Tier 1: Hancock, Harrison, and Jackson. Tier 2: George, Pearl River, and Stone.
<u>New Hampshire:</u>	Tier 1: Rockingham and Strafford. Tier 2: None.
<u>New Jersey:</u>	Tier 1: Atlantic, Cape May, Monmouth, and Ocean. Tier 2: Burlington, Cumberland, Essex, Hudson, Middlesex, and Union.
<u>New York:</u>	Tier 1: Kings, Nassau, Queens, Richmond, and Suffolk. Tier 2: Bronx, New York, and Westchester.
<u>North Carolina:</u>	Tier 1: Beaufort, Bertie, Brunswick, Camden, Carteret, Chowan, Currituck, Dare, Hyde, New Hanover, Onslow, Pamlico, Pasquotank, Pender, Perquimans Tyrrell, and Washington. Tier 2: Bladen, Columbus, Craven, Duplin, Gates, Hertford, Jones, Lenoir, Martin, Pitt, and Sampson.
<u>Rhode Island:</u>	Tier 1: Newport, and Washington. Tier 2: Bristol, and Kent.
<u>South Carolina:</u>	Tier 1: Beaufort, Charleston, Colleton, Georgetown, Horry, and Jasper. Tier 2: Berkeley, Dillon, Dorchester, Florence, Hampton, Marion, and Williamsburg.
<u>Texas:</u>	Tier 1: Aransas, Brazoria, Calhoun, Cameron, Chambers, Galveston, Jefferson, Kenedy, Kleberg, Matagorda, Nueces, Refugio, San Patricio, and Willacy. Tier 2: Bee, Brooks, Fort Bend, Goliad, Hardin, Harris, Hidalgo, Jackson,

Jim Wells, Liberty, Live Oak, Orange, Victoria, and Wharton.

Virginia:

Tier 1: Accomack, Chesapeake, Gloucester, Hampton, Isle of Wight,
James City, Lancaster, Mathews, Middlesex, Newport News, Norfolk,
Northampton, Northumberland, Poquoson, Portsmouth, Suffolk, Surry,
Virginia Beach City, Westmoreland, Williamsburg City, and York.

Tier 2: None.

GG. **Total Insurable Values (TIV):** The Total Insurable Values shall include all Covered Property (Real & Personal Property) and Time Element values reported on the Statement of Values on file with the Program Manager.

HH. **Unit of Insurance:** The following shall be considered a separate "unit" of insurance:

1. Each separate **Building** or Structure;
2. Contents in each Separate **Building** or Structure;
3. Property in the Yard or open at each scheduled **Location**;
4. Business Income/Extra Expense in each Separate **Building** or Structure.

The above definition is to be used in the determination of the DEDUCTIBLE where a percent (%) of TIV of each separate "unit" DEDUCTIBLE applies at the time when such loss occurs.

II. **Valuable Papers and Records** means documents that are written, printed or otherwise inscribed. These include:

1. Books, manuscripts, abstracts, maps and drawings; film and other photographically produced records, such as slides and microfilm;
2. Legal and financial agreements, such as deeds and mortgages;
3. Addressograph plates; and
4. Any electrically produced data, such as printouts, punched cards, tapes or discs.

Valuable Papers and Records does not mean money and securities and converted data, programs or instructions used in data processing operations, including the materials on which the data is stored.

JJ. **Vandalism and Malicious Mischief** means willful and malicious damage to, or destruction of, Covered Property. Vandalism and Malicious Mischief does not include loss or damage caused by or resulting from theft, except for real property loss or damage caused by the breaking in or exiting of burglars.

KK. **Warranty:**

1. "Warranty" means any provision of an insurance contract which has the effect of requiring, as a condition precedent of the taking effect of such contract or as a condition precedent of the Companies' liability hereunder, the existence of fact which tends to diminish, or the non-existence of a fact which tends to increase, the risk of the occurrence of loss or damage within the coverage of the contract.
2. A breach of warranty shall not void an insurance contract or defeat recovery hereunder unless such breach materially increases the risk of loss, damage or injury within the coverage of the contract. If the insurance contract specified two or more distinct kinds of loss, damage or injury which are within its coverage, a breach of warranty shall not void such contract or defeat recovery hereunder with respect to any kind of loss, damage or injury other than the kind or

kinds to which such warranty relates and the risk of which is materially increased by the breach of such warranty.

- LL. **Windstorm or Hail:** Direct action of wind or by the direct action of hail, whether accompanied by wind or not, but no liability is assumed under this peril for loss or damage caused by or resulting from frost or cold weather, ice (other than hail), snow or sleet, whether driven by wind or not.

Compass Change- Property Cyber and Data Endorsement

This endorsement changes the policy. Please read carefully.

**This endorsement modifies insurance provided under the following:
Compass Commercial Property Form 05 24**

**This endorsement does not bear on the following form if it is also attached to this policy:
Cyber Suite Coverage Form (AR Cyber)**

It is understood and agreed that this policy is amended as follows:

1. The following Compass clauses are deleted:
 - a. Section II- Covered Causes of Loss, B. Exclusions, 16. Electronic Data & Media
 - b. Section IV- Valuations, E. Electronic Data and Media
 - c. Section VIII- Policy Definitions, L. Electronic Data and Media
2. The following LMA 5400 clause shall apply:

PROPERTY CYBER AND DATA ENDORSEMENT

- 1 Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
 - 1.1 Cyber Loss, unless subject to the provisions of paragraph 2;
 - 1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of paragraph 3;regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- 2 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, this Policy covers physical loss or physical damage to property insured under this Policy caused by any ensuing fire or explosion which directly results from a Cyber Incident, unless that Cyber Incident is caused by, contributed to by, resulting from, arising out of or in connection with a Cyber Act including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act.
- 3 Subject to all the terms, conditions, limitations and exclusions of this Policy or any endorsement thereto, should Data Processing Media owned or operated by the Insured suffer physical loss or physical damage insured by this Policy, then this Policy will cover the cost to repair or replace the Data Processing Media itself plus the costs of copying the Data from back-up or from originals of a previous generation. These costs will not include research and engineering nor any costs of recreating, gathering or assembling the Data. If such media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media. However, this Policy excludes any amount pertaining to the value of such Data, to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled.
- 4 In the event any portion of this endorsement is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

- 5 This endorsement supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

Definitions

- 6 Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- 7 Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- 8 Cyber Incident means:
- 8.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
- 8.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- 9 Computer System means:
- 9.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
- 10 Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- 11 Data Processing Media means any property insured by this Policy on which Data can be stored but not the Data itself.

LMA5400

11 November 2019

All other terms and conditions remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LLOYD'S OF LONDON AMENDATORY

WITH RESPECT TO THE COVERAGE PROVIDED BY **CERTAIN UNDERWRITERS AT LLOYD'S, LONDON**, THE FOLLOWING CLAUSES (SERVICE OF SUIT and APPLICABLE LAW) SHALL APPLY:

Service of Suit Clause (U.S.A.) NMA 1998 4/24/86 (USA date)

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon

1. California Insureds:
Foley & Lardner, LLP
555 California Street, Suite 1700
San Francisco, CA 94104-1520
USA

2. All other Insureds:
Lloyd's America, Inc.
Attention: Legal Department
280 Park Avenue, East Tower, 25th Floor
New York, NY 10017
USA

and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to have a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named person to whom the said officer is authorized to mail such process or a true copy thereof.

APPLICABLE LAW (U.S.A.) LMA5021 9/14/2005 (USA date)

This Insurance shall be subject to the applicable state law to be determined by the court of competent jurisdiction as determined by the provisions of the Service of Suit Clause (USA).

SERVICE OF PROCESS ENDORSEMENT

When a cause of action arises in any of the states listed below, service of process applies as shown below for that state. **As used in this endorsement, "the Company" shall mean Indian Harbor Insurance Company.**

ALABAMA Service of Process Clause

The Commissioner of Insurance of the State of Alabama is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Alabama to whom such process shall be forwarded by the Commissioner of Insurance.

ALASKA Service of Process Clause

The Director of Insurance of the State of Alaska is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Alaska to whom such process shall be forwarded by the Director of Insurance.

ARIZONA Service of Process Clause

The Director of Insurance of the State of Arizona is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Arizona to whom such process shall be forwarded by the Director of Insurance.

ARKANSAS Service of Process Clause

The Commissioner of Insurance of the State of Arkansas is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Arkansas to whom such process shall be forwarded by the Commissioner of Insurance.

CALIFORNIA Service of Suit Clause

The Commissioner of Insurance of the State of California is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Vivian Imperial c/o C T Corporation System, 818 West 7th Street, Suite 930, Los Angeles, CA 90017, as its agent in California to whom such process shall be forwarded by the Commissioner of Insurance.

COLORADO Service of Process Clause

The Commissioner of Insurance of the State of Colorado is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Colorado to whom such process shall be forwarded by the Commissioner of Insurance.

CONNECTICUT Service of Process Clause

The Commissioner of Insurance of the State of Connecticut is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Connecticut to whom such process shall be forwarded by the Commissioner of Insurance.

DISTRICT OF COLUMBIA Service of Process Clause

The Commissioner of Insurance of the District of Columbia is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in the District of Columbia to whom such process shall be forwarded by the Commissioner of Insurance.

DELAWARE Service of Process Clause

The Commissioner of Insurance of the State of Delaware is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Delaware to whom such process shall be forwarded by the Commissioner of Insurance.

FLORIDA Service of Process Clause

The Commissioner of Insurance of the State of Florida is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120 as its agent in Florida to whom such process shall be forwarded by the Commissioner of Insurance.

GEORGIA Service of Process

The Commissioner of Insurance of the State of Georgia is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Georgia to whom such process shall be forwarded by the Commissioner of Insurance.

HAWAII Service of Process Clause

The Commissioner of Insurance of the State of Hawaii is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Hawaii to whom such process shall be forwarded by the Commissioner of Insurance.

IOWA Service of Process Clause

The Commissioner of Insurance of the State of Iowa is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Iowa to whom such process shall be forwarded by the Commissioner of Insurance.

IDAHO Service of Process Clause

The Director of Insurance of the State of Idaho is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Idaho to whom such process shall be forwarded by the Director of Insurance.

ILLINOIS Service of Process Clause

The Director of Insurance of the State of Illinois is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Illinois to whom such process shall be forwarded by the Director of Insurance.

INDIANA Service of Process Clause

The Commissioner of Insurance of the State of Indiana is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Indiana to whom such process shall be forwarded by the Commissioner of Insurance.

KANSAS Service of Process Clause

The Commissioner of Insurance of the State of Kansas is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Kansas to whom such process shall be forwarded by the Commissioner of Insurance.

KENTUCKY Service of Process Clause

The Secretary of State of Kentucky is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Kentucky to whom such process shall be forwarded by the Secretary of State.

LOUISIANA Service of Process Clause

The Secretary of the State of Louisiana is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Louisiana to whom such process shall be forwarded by the Secretary of State.

MAINE Service of Process Clause

The Acting Superintendent of Insurance of the State of Maine is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates CT Corporation System, 128 State Street, #3, Augusta, ME 04330, as its agent in Maine to whom such process shall be forwarded by the Acting Superintendent of Insurance.

MARYLAND Service of Process Clause

The Commissioner of Insurance of the State of Maryland is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Maryland to whom such process shall be forwarded by the Commissioner of Insurance.

MASSACHUSETTS Service of Process Clause

The Commissioner of Insurance of the State of Massachusetts is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Massachusetts to whom such process shall be forwarded by the Commissioner of Insurance.

MICHIGAN Service of Process Clause

The Commissioner of Insurance of the State of Michigan is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates The Corporation Company, 40600 Ann Arbor Road East, Suite 201, Plymouth, MI 48170-4675, as its agent in Michigan to whom such process shall be forwarded by the Commissioner of Insurance.

MINNESOTA Service of Process Clause

The Commissioner of Commerce of the State of Minnesota is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Minnesota to whom such process shall be forwarded by the Commissioner of Commerce.

MISSISSIPPI Service of Process Clause

The Commissioner of Insurance of the State of Mississippi is hereby designated the true and lawful agent of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Mississippi to whom such process shall be forwarded by the Commissioner of Insurance.

MISSOURI Service of Process Clause

The Director of the Department of Insurance of the State of Missouri is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Missouri to whom such process shall be forwarded by the Director of the Department of Insurance.

MONTANA Service of Process Clause

The Commissioner of Insurance of the State of Montana is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Montana to whom such process shall be forwarded by the Commissioner of Insurance.

NEBRASKA Service of Process Clause

The Director of Insurance of the State of Nebraska is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Nebraska to whom such process shall be forwarded by the Director of Insurance.

NEVADA Service of Process Clause

The Commissioner of Insurance of the State of Nevada is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Nevada to whom such process shall be forwarded by the Commissioner of Insurance.

NEW HAMPSHIRE Service of Process Clause

The Commissioner of Insurance of the State of New Hampshire is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in New Hampshire to whom such process shall be forwarded by the Commissioner of Insurance.

NEW JERSEY Service of Process Clause

The Commissioner of Insurance of the State of New Jersey is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in New Jersey to whom such process shall be forwarded by the Commissioner of Insurance.

NEW MEXICO Service of Process Clause

The Superintendent of Insurance of the State of New Mexico is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in New Mexico to whom such process shall be forwarded by the Superintendent of Insurance.

NEW YORK Service of Process Clause

The Superintendent of Insurance of the State of New York is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in New York to whom such process shall be forwarded by the Superintendent of Insurance.

NORTH CAROLINA Service of Process Clause

The Commissioner of Insurance of the State of North Carolina is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in North Carolina to whom such process shall be forwarded by the Commissioner of Insurance.

NORTH DAKOTA Service of Process Clause

The Commissioner of Insurance of the State of North Dakota is hereby designated the true and lawful attorney of the Company upon whom must be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in North Dakota to whom such process shall be forwarded by the Commissioner of Insurance.

OHIO Service of Process Clause

The Superintendent of Insurance of the State of Ohio is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Ohio to whom such process shall be forwarded by the Superintendent of Insurance.

OKLAHOMA Service of Process Clause

The Commissioner of Insurance of the State of Oklahoma is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Oklahoma to whom such process shall be forwarded by the Commissioner of Insurance.

OREGON Service of Process Clause

The Commissioner of Insurance of the State of Oregon is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Oregon to whom such process shall be forwarded by the Commissioner of Insurance.

PENNSYLVANIA Service of Process Clause

The Commissioner of Insurance of the State of Pennsylvania is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Pennsylvania to whom such process shall be forwarded by the Commissioner of Insurance.

RHODE ISLAND Service of Process Clause

The Commissioner of Insurance of the State of Rhode Island is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates CT Corporation System, 450 Veterans Memorial Parkway, Suite 7A, East Providence, RI 02914, as its agent in Rhode Island to whom such process shall be forwarded by the Commissioner of Insurance.

SOUTH CAROLINA Service of Process Clause

The Director of Insurance of the State of South Carolina is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in South Carolina to whom such process shall be forwarded by the Director of Insurance.

SOUTH DAKOTA Service of Process Clause

The Director of Insurance of the State of South Dakota is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in South Dakota to whom such process shall be forwarded by the Director of Insurance.

TENNESSEE Service of Process Clause

The Commissioner of Insurance of the State of Tennessee is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Tennessee to whom such process shall be forwarded by the Commissioner of Insurance.

TEXAS Service of Process Clause

The Commissioner of Insurance of the State of Texas is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Texas to whom such process shall be forwarded by the Commissioner of Insurance.

UTAH Service of Process Clause

The Commissioner of Insurance and Lieutenant Governor of the State of Utah are hereby designated the true and lawful agents of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Utah to whom such process shall be forwarded by the Commissioner of Insurance or Lieutenant Governor.

VERMONT Service of Process Clause

The Secretary of the State of Vermont is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates CT Corporation System, 17 G W Tatrow Drive, Jeffersonville, VT, 05464-9919, as its agent in Vermont to whom such process shall be forwarded by the Secretary of State.

VIRGINIA Service of Process Clause

The Clerk of the Commissioner of Insurance of the State of Virginia is hereby designated the true and lawful agent of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Virginia to whom such process shall be forwarded by the Clerk of the Commissioner of Insurance.

WASHINGTON Service of Process Clause

The Commissioner of Insurance of the State of Washington is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Washington to whom such process shall be forwarded by the Commissioner of Insurance.

WEST VIRGINIA Service of Process Clause

The Secretary of State of West Virginia is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in West Virginia to whom such process shall be forwarded by the Secretary of State.

WISCONSIN Service of Process Clause

The Commissioner of Insurance and the Department of Financial Institutions of the State of Wisconsin are hereby designated the true and lawful attorneys of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Wisconsin to whom such process shall be forwarded by the Commissioner of Insurance or the Department of Financial Institutions.

WYOMING Service of Process Clause

The Commissioner of Insurance of the State of Wyoming is hereby designated the true and lawful attorney of the Company upon whom may be served all lawful process in any action, suit or proceeding arising out of this policy. The Company further designates Sarah Mims, General Counsel, 505 Eagleview Boulevard, Suite 100, Exton, Pennsylvania 19341-1120, as its agent in Wyoming to whom such process shall be forwarded by the Commissioner of Insurance.

All other terms and conditions of this policy remain unchanged.

NOTICE TO POLICYHOLDERS

FRAUD NOTICE

Alabama	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance is guilty of a crime and may be subject to restitution fines or confinement in prison, or any combination thereof.
Arkansas	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
California	For your protection California law requires the following to appear on this form: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.
Colorado	It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.
District of Columbia	WARNING: It is a crime to provide false or misleading information to an insurer for the purpose of defrauding the insurer or any other person. Penalties include imprisonment and/or fines. In addition, an insurer may deny insurance benefits if false information materially related to a claim was provided by the applicant.
Florida	Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.
Kansas	A "fraudulent insurance act" means an act committed by any person who, knowingly and with intent to defraud, presents, causes to be presented or prepares with knowledge or belief that it will be presented to or by an insurer, purported insurer, broker or any agent thereof, any written, electronic, electronic impulse, facsimile, magnetic, oral, or telephonic communication or statement as part of, or in support of, an application for the issuance of, or the rating of an insurance policy for personal or commercial insurance, or a claim for payment or other benefit pursuant to an insurance policy for commercial or personal insurance that such person knows to contain materially false information concerning any fact material thereto; or conceals, for the purpose of misleading, information concerning any fact material thereto.
Kentucky	Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime.
Louisiana	Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
Maine	It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines, or denial of insurance benefits.
Maryland	Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.
New Jersey	Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NOTICE TO POLICYHOLDERS

New Mexico	ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.
New York	<p>General: All applications for commercial insurance, other than automobile insurance: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.</p> <p>All applications for automobile insurance and all claim forms: Any person who knowingly makes or knowingly assists, abets, solicits or conspires with another to make a false report of the theft, destruction, damage or conversion of any motor vehicle to a law enforcement agency, the department of motor vehicles or an insurance company, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the value of the subject motor vehicle or stated claim for each violation.</p> <p>Fire: Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.</p> <p>The proposed insured affirms that the foregoing information is true and agrees that these applications shall constitute a part of any policy issued whether attached or not and that any willful concealment or misrepresentation of a material fact or circumstances shall be grounds to rescind the insurance policy.</p>
Ohio	Any person who, with intent to defraud or knowing that he is facilitating a fraud against an insurer, submits an application or files a claim containing a false or deceptive statement is guilty of insurance fraud.
Oklahoma	<p>WARNING: Any person who knowingly, and with intent to injure, defraud or deceive any insurer, makes any claim for the proceeds of an insurance policy containing any false, incomplete or misleading information is guilty of a felony.</p> <p>WARNING: All Workers Compensation Insurance: Any person or entity who makes any material false statement or representation, who willfully and knowingly omits or conceals any material information, or who employs any device, scheme, or artifice, or who aids and abets any person for the purpose of:</p> <ol style="list-style-type: none"> 1. obtaining any benefit or payment, 2. increasing any claim for benefit or payment, or 3. obtaining workers' compensation coverage under the Administrative Workers' Compensation Act, shall be guilty of a felony punishable pursuant to Section 1663 of Title 21 of the Oklahoma Statutes.

NOTICE TO POLICYHOLDERS

Pennsylvania	<p>Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.</p> <p>Automobile Insurance: Any person who knowingly and with intent to injure or defraud any insurer files an application or claim containing any false, incomplete or misleading information shall, upon conviction, be subject to imprisonment for up to seven years and the payment of a fine of up to \$15,000.</p>
Puerto Rico	<p>Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances [be] present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.</p>
Rhode Island	<p>Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.</p>
Tennessee	<p>It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.</p> <p>Workers' Compensation: It is a crime to knowingly provide false, incomplete or misleading information to any party to a workers' compensation transaction for the purpose of committing fraud. Penalties include imprisonment, fines and denial of insurance benefits.</p>
Utah	<p>Workers' Compensation: Any person who knowingly presents false or fraudulent underwriting information, files or causes to be filed a false or fraudulent claim for disability compensation or medical benefits, or submits a false or fraudulent report or billing for health care fees or other professional services is guilty of a crime and may be subject to fines and confinement in state prison.</p>
Virginia	<p>It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.</p>
Washington	<p>It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.</p>
West Virginia	<p>Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.</p>
All Other States	<p>Any person who knowingly and willfully presents false information in an application for insurance may be guilty of insurance fraud and subject to fines and confinement in prison. (In Oregon, the aforementioned actions may constitute a fraudulent insurance act which may be a crime and may subject the person to penalties).</p>

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

Sanctions Limitation Clause

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations' resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

LMA3100A

5 October 2023

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VARIOUS COMPANIES' SERVICE OF SUIT CLAUSES

WITH RESPECT TO THE COVERAGE PROVIDED BY:

OLD REPUBLIC UNION INSURANCE COMPANY; OR
GEOVERA SPECIALTY INSURANCE COMPANY; OR
MS TRANSVERSE SPECIALTY INSURANCE COMPANY.

THE FOLLOWING APPLICABLE CLAUSES SHALL APPLY TO THE INDICATED COMPANY(IES), PROVIDED THAT COMPANY IS PARTICIPATING ON THE POLICY:

Service of Suit Clause(s)

It is agreed that in the event of the failure of the Company hereon to pay any amount claimed to be due hereunder, the Company hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States. It is further agreed that service of process in such suit may be made upon:

Old Republic Union Insurance Company

Old Republic Specialty Insurance Underwriters, Inc.
c/o Office of General Counsel
370 North Michigan Avenue
Chicago, IL 60601

GeoVera Specialty Insurance Company

GeoVera Holdings, Inc.
1455 Oliver Road
Fairfield, CA 94534
Attn: Robert Hagedorn, General Counsel

MS Transverse Specialty Insurance Company

15 Independence Blvd, Suite 430
Warren, NJ 07059

and that in any suit instituted against any one of them upon this contract, the Company will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of the Company in any such suit and/or upon the request of the Insured (or Reinsured) to have a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon the Company's behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefore, the Company hereon hereby designates the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named person to whom the said officer is authorized to mail such process or a true copy thereof.

SERVICE OF SUIT CLAUSE (U.S.A.)

This Service of Suit Clause will not be read to conflict with or override the obligations of the parties to arbitrate their disputes as provided for in any Arbitration provision within this Policy. This Clause is intended as an aid to compelling arbitration or enforcing such arbitration or arbitral award, not as an alternative to such Arbitration provision for resolving disputes arising out of this contract of insurance (or reinsurance).

It is agreed that in the event of the failure of the Underwriters hereon to pay any amount claimed to be due hereunder, the Underwriters hereon, at the request of the Insured (or Reinsured), will submit to the jurisdiction of a Court of competent jurisdiction within the United States. Nothing in this Clause constitutes or should be understood to constitute a waiver of Underwriters' rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court, or to seek a transfer of a case to another Court as permitted by the laws of the United States or of any State in the United States.

It is further agreed that service of process in such suit may be made upon

Spinnaker Specialty Insurance Company
Attn: Pete Maloney, General Counsel
1 Pluckemin Way, Suite 102
Bedminster, NJ 07921

and that in any suit instituted against any one of them upon this contract, Underwriters will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above-named are authorized and directed to accept service of process on behalf of Underwriters in any such suit and/or upon the request of the Insured (or Reinsured) to give a written undertaking to the Insured (or Reinsured) that they will enter a general appearance upon Underwriters' behalf in the event such a suit shall be instituted.

Further, pursuant to any statute of any state, territory or district of the United States which makes provision therefor, Underwriters hereon hereby designate the Superintendent, Commissioner or Director of Insurance or other officer specified for that purpose in the statute, or his successor or successors in office, as their true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured (or Reinsured) or any beneficiary hereunder arising out of this contract of insurance (or reinsurance), and hereby designate the above-named as the person to whom the said officer is authorized to mail such process or a true copy thereof.

LMA5020

14/09/2005

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

METHOD OF CLAIM NOTICE AND SERVICE OF SUIT CONDITIONS

It is understood and agreed that the following modifies coverage provided under this Policy.

The following provisions are added:

1. METHOD OF CLAIM NOTICE

Under all of the coverages of this policy, notice of claim or circumstances which may reasonably be expected to give rise to a claim hereunder shall be given in writing to, and at the address for the Claims Organization shown in the Declarations. If no Claims Organization is shown in the Declarations, such notice shall be given in writing to Everest Indemnity Insurance Company, 100 Everest Way, Warren, NJ 07059.

2. SERVICE OF SUIT

It is agreed that in the event of the Company's failure to pay any amount claimed to be due hereunder, the Company, at your request will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States, to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or of any state in the United States. It is further agreed that service of process in such suit may be made upon Counsel, Legal Department, Everest Indemnity Insurance Company, 100 Everest Way, Warren, NJ 07059 or his or her representative, and that in any suit instituted against us upon this contract, the Company will abide by the final decision of such court or of any appellate court in the event of any appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provision therefor, the Company hereby designates the Superintendent, Commissioner, or Director of Insurance, other officer specified for that purpose in the statute, or his or her successor or successors in office as the Company's true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of you or any beneficiary hereunder arising out of this contract of insurance, and hereby designate the above named Counsel as the person to whom the said officer is authorized to mail such process or a true copy thereof.

All other terms and conditions of this Policy remain unchanged.

CYBER SUITE COVERAGE

SUPPLEMENTAL DECLARATIONS

CYBER SUITE AGGREGATE LIMIT \$100,000
Annual Aggregate Limit

CYBER SUITE DEDUCTIBLE \$1,000
Per Occurrence

IDENTITY RECOVERY LIMIT \$25,000
Annual Aggregate Per "Identity Recovery Insured"

SUBLIMITS Sublimits below are Per Occurrence, unless otherwise indicated.

DATA COMPROMISE RESPONSE EXPENSES

1st Party Named Malware:	\$50,000
Forensic IT Review:	\$50,000
Legal Review:	\$50,000
Public Relations Services:	\$ 5,000
Regulatory Fines and Penalties:	\$50,000
PCI Fines and Penalties:	\$50,000

COMPUTER ATTACK and CYBER EXTORTION

Loss of Business:	\$50,000
Public Relations:	\$ 5,000
Cyber Extortion:	\$ 10,000

DATA COMPROMISE LIABILITY

3rd Party Named Malware	\$50,000 Any one "Personal Data Compromise"
-------------------------------------------	-------------------------------------------------------

IDENTITY RECOVERY

Lost Wages and Child and Elder Care Expenses:	\$5,000
Mental Health Counseling:	\$1,000
Miscellaneous Unnamed Costs:	\$1,000

Cyber Suite Coverage Form

Throughout this Coverage Form (hereinafter referred to as "Cyber Coverage"), the words "you" and "your" refer to the Named Insured(s) shown in the Cyber Suite Coverage Form Supplemental Declarations of this Cyber Coverage and any other person(s) or organization(s) qualifying as a Named Insured under this Cyber Coverage. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotations have special meaning. Refer to DEFINITIONS.

The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this Cyber Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

A. COVERAGE

This section lists the coverages that apply if indicated in the Cyber Suite Coverage Form Supplemental Declarations.

1. Data Compromise Response Expenses

- a. Data Compromise Response Expenses applies only if all of the following conditions are met:
 - (1) There has been a "personal data compromise"; and
 - (2) Such "personal data compromise" took place in the "coverage territory"; and
 - (3) Such "personal data compromise" is first discovered by you during the "policy period"; and
 - (4) Such "personal data compromise" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.
- b. If the conditions listed in a. above have been met, then we will provide coverage for the following expenses when they arise directly from such "personal data compromise" and are necessary and reasonable. Items (4) and (5) below apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under item (3) below.

(1) Forensic IT Review

We will pay for a professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a) Vulnerabilities in systems, procedures or physical security;
- (b) Compliance with Payment Card Industry or other industry security standards; or
- (c) The nature or extent of loss or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(2) Legal Review

We will pay for a professional legal counsel review of the "personal data compromise" and how you should best respond to it.

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the "personal data compromise" to "affected individuals".

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to "affected individuals". Services (c) and (d) below apply only to "affected individuals" from "personal data compromise" events involving "personally identifying information".

(a) Informational Materials

A packet of loss prevention and customer support information.

(b) Help Line

A toll-free telephone line for "affected individuals" with questions about the "personal data compromise". Where applicable, the line can also be used to request additional services as listed in (c) and (d) below.

(c) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the "affected individual" enrolling for this service with the designated service provider.

(d) Identity Restoration Case Management

As respects any "affected individual" who is or appears to be a victim of "identity theft" that may reasonably have arisen from the "personal data compromise", the services of an identity restoration professional who will assist that "affected individual" through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) Public Relations

We will pay for a professional public relations firm review of and response to the potential impact of the "personal data compromise" on your business relationships.

This includes necessary and reasonable costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with "affected individuals". However, we will not pay for:

- (a) Promotions provided to any of your directors or employees; or
- (b) Promotion costs exceeding \$25 per "affected individual".

(6) Regulatory Fines and Penalties

We will pay for any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction.

(7) PCI Fines and Penalties

We will pay for any Payment Card Industry fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

2. Computer Attack and Cyber Extortion

a. Computer Attack applies only if all of the following conditions are met:

- (1) There has been a "computer attack"; and
- (2) Such "computer attack" occurred in the "coverage territory"; and
- (3) Such "computer attack" is first discovered by you during the "policy period"; and
- (4) Such "computer attack" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If the conditions listed in a. above have been met, then we will provide you the following coverages for "loss" directly arising from such "computer attack".

- (1) **Data Restoration**
We will pay your necessary and reasonable "data restoration costs".
- (2) **Data Re-creation**
We will pay your necessary and reasonable "data re-creation costs".
- (3) **System Restoration**
We will pay your necessary and reasonable "system restoration costs".
- (4) **Loss of Business**
We will pay your actual "business income and extra expense loss".
- (5) **Public Relations**
If you suffer a covered "business income and extra expense loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.
- c. Cyber Extortion applies only if all of the following conditions are met:
 - (1) There has been a "cyber extortion threat"; and
 - (2) Such "cyber extortion threat" is first made against you during the "policy period"; and
 - (3) Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first made against you.
- d. If the conditions listed in c. above have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from such "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.
- e. You must make every reasonable effort not to divulge the existence of this Cyber Extortion coverage.

3. Data Compromise Liability

- a. Data Compromise Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of one of the following:
 - (a) A "claim" brought by or on behalf of one or more "affected individuals"; or
 - (b) A "regulatory proceeding" brought by a governmental entity.
 - (2) Such "claim" or "regulatory proceeding" must arise from a "personal data compromise" that:
 - (a) Took place during the "coverage term";
 - (b) Took place in the "coverage territory"; and
 - (c) Was submitted to us and insured under Data Compromise Response Expenses.
 - (3) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on your behalf any covered:
 - (1) "Loss" directly arising from the "claim"; or
 - (2) "Defense costs" directly arising from a "regulatory proceeding".
- c. All "claims" and "regulatory proceedings" arising from a single "personal data compromise" or interrelated "personal data compromises" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

4. Network Security Liability

- a. Network Security Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive

notice of a "claim" which arises from a "network security incident" that:

- (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
- (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
 - c. All "claims" arising from a single "network security incident" or interrelated "network security incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

5. Electronic Media Liability

- a. Electronic Media Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from an "electronic media incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "electronic media incident" or interrelated "electronic media incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

6. Identity Recovery

- a. Identity Recovery applies only if all of the following conditions are met:
 - (1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Coverage Form; and
 - (2) Such "identity theft" took place in the "coverage territory"; and
 - (3) Such "identity theft" is first discovered by the "identity recovery insured" during the "policy period"; and
 - (4) Such "identity theft" is reported to us within 60 days after it is first discovered by the "identity recovery insured".
- b. If the conditions listed in a. above have been met, then we will provide the following to the "identity recovery insured":
 - (1) **Case Management Service**
We will pay for the services of an "identity recovery case manager" as needed to respond to the "identity theft";
and
 - (2) **Expense Reimbursement**
We will pay for reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

B. EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or loss arising from the following:

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

2. War and hostile action, including any of the following and any consequence of any of the following:
 - a. Cyber warfare, whether or not occurring in combination with physical combat;
 - b. Undeclared war;
 - c. Civil war;
 - d. Hostile action by military force or cyber measures, including action in hindering or defending against an actual or expected attack, by any Combatant; or
 - e. Insurrection, rebellion, revolution, usurped power, political violence or action taken by governmental authority in hindering or defending against any of these, including cyber action in connection with any of the foregoing.

For purposes of this exclusion, cyber warfare, cyber measures and cyber action include, but are not limited to, the use of disruptive digital activities against a computer network or system with the intention to cause harm in order to further political or similar objectives, or to intimidate any person(s) in furtherance of such objectives, committed by a Combatant.

The attribution of an action to a Combatant will be determined by relying on reasonable evidence such as:

- a. Statements by an impacted government, sovereign or other authority;
- b. Statements by widely recognized international bodies (such as the United Nations) or alliances (such as the North Atlantic Treaty Organization); or
- c. Consensus opinion within relevant expert communities such as the cyber security industry.

Decisions about the presence or absence of war, hostile action, and other terms used in this exclusion will take into consideration the full range of available tactics, weapons and technologies at the time of the event giving rise to the "loss".

Combatant means, for purposes of this exclusion, a government, sovereign or other authority, or agents acting on their behalf.

3. Total or partial failure or interruption of, reduction in performance of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, satellites, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.
4. Any attack on, incident involving, or loss to any computer or system of computers that is not a "computer system".
5. Costs to research or correct any deficiency.
6. Any fines or penalties other than those explicitly covered under Data Compromise Response Expenses.
7. Any criminal investigations or proceedings.
8. Your intentional or willful complicity in a covered loss event.
9. Your reckless disregard for the security of your computer system or data, including confidential or sensitive information of others in your care, custody or control.
10. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
11. Any "personal data compromise", "computer attack", "cyber extortion threat" or "wrongful act" occurring before the "coverage term".
12. That part of any "claim" seeking any non-monetary relief. However, this exclusion does not apply to "defense costs" arising from an otherwise insured "wrongful act".
13. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
14. Any threat, extortion or blackmail including, but not limited to, ransom payments and private security assistance. Extortion as used in this exclusion is all types of extortion except a "cyber extortion threat" as defined and covered under the Computer Attack and Cyber Extortion coverage in this Coverage Form.

15. Any oral or written publication of material, if done by you or at your direction with knowledge of its falsity.
16. "Property damage" or "bodily injury" other than mental anguish or mental injury alleged in a "claim" covered under Electronic Media Liability.
17. The theft of a professional or business identity.
18. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.
19. An "identity theft" that is not reported in writing to the police.
20. Any provision of coverage under this Cyber Coverage to the extent that such provision would expose us or you to a violation of economic or trade sanctions, laws or regulations of the United States of America or any other jurisdiction with whose laws we are legally obligated to comply.

C. LIMITS OF INSURANCE

1. Aggregate Limits

Except for post-judgment interest, the Cyber Suite Aggregate Limit shown in the Cyber Suite Coverage Form Supplemental Declarations is the most we will pay for all "loss" under all applicable coverage sections, except Identity Recovery, in any one "policy period" or any applicable Extended Reporting Period. The Cyber Suite Aggregate Limit shown in the Cyber Suite Coverage Form Supplemental Declarations applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

The Identity Recovery Coverage is subject to the Identity Recovery Limit as shown in the Cyber Suite Supplemental Declarations.

2. Coverage Sublimits

a. Data Compromise Sublimits

The most we will pay under Data Compromise Response Expenses for Forensic IT Review, Legal Review, Public Relations, Regulatory Fines and Penalties and PCI Fines and Penalties coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages shown in the Cyber Suite Coverage Form Supplemental Declarations.

The most we will pay under Data Compromise Response Expenses coverage for loss arising from any "malware-related compromise" is the 1st Party Named Malware sublimit indicated for this Coverage Form. For the purpose of the 1st Party Named Malware sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise".

These sublimits are part of, and not in addition to, the Cyber Suite Aggregate Limit shown in the Cyber Suite Coverage Form Supplemental Declarations. Public Relations coverage is also subject to a limit per "affected individual" as described in **A.1.b.(5)**.

The most we will pay under Data Compromise Liability coverage for loss arising from any "malware-related compromise" is the 3rd Party Named Malware sublimit indicated for this Coverage Form. For the purpose of the 3rd Party Named Malware sublimit, all "malware-related compromises" that are caused, enabled or abetted by the same virus or other malicious code are considered to be a single "personal data compromise". This sublimit is part of, and not in addition to, the limit or limits applicable to the Data Compromise Liability coverage.

b. Computer Attack and Cyber Extortion Sublimits

The most we will pay under Computer Attack and Cyber Extortion for Loss of Business and Public Relations coverages for "loss" arising from any one "computer attack" is the applicable sublimit for each of those coverages shown in the Cyber Suite Coverage Form Supplemental Declarations. The most we will pay under Computer Attack and Cyber Extortion for Cyber Extortion coverage for "loss" arising from any one "cyber extortion threat" is the applicable sublimit shown in the Cyber Suite Coverage Form Supplemental Declarations. These sublimits

are part of, and not in addition to, the Cyber Suite Aggregate Limit shown in the Cyber Suite Coverage Form Supplemental Declarations.

c. Identity Recovery Sublimits

The following provisions are applicable only to the Identity Recovery Coverage.

- (1) Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Services do not reduce the aggregate limit for Identity Recovery.
- (2) Costs covered under item d. (Legal Costs) of the definition of "identity recovery expenses" are part of, and not in addition to, the aggregate limit for Identity Recovery.
- (3) Costs covered under item e. (Lost Wages) and item f. (Child and Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to the Lost Wages and Child and Elder Care sublimit shown in the Cyber Suite Coverage Form Supplemental Declarations. This sublimit is part of, and not in addition to, the aggregate limit for Identity Recovery. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (4) Costs covered under item g. (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to the Mental Health Counseling sublimit shown in the Cyber Suite Coverage Form Supplemental Declarations. This sublimit is part of, and not in addition to, the aggregate limit for Identity Recovery. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".
- (5) Costs covered under item h. (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to the Miscellaneous Unnamed Costs sublimit shown in the Cyber Suite Coverage Form Supplemental Declarations. This sublimit is part of, and not in addition to, the aggregate limit for Identity Recovery. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

3. Application of Limits

- a. A "computer attack", "cyber extortion threat", "personal data compromise" or "identity theft" may be first discovered by you in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "computer attack", "cyber extortion threat", "personal data compromise" or "identity theft" will be subject to the limit of insurance applicable to the "policy period" when the "computer attack", "cyber extortion threat", "personal data compromise" or "identity theft" was first discovered by you.
- b. You may first receive notice of a "claim" or "regulatory proceeding" in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "claim" or "regulatory proceeding" will be subject to the limit of insurance applicable to the "policy period" when notice of the "claim" or "regulatory proceeding" was first received by you.
- c. The limit of insurance for the Extended Reporting Periods (if applicable) will be part of, and not in addition to, the limit of insurance for the immediately preceding "policy period".
- d. Coverage for Services to Affected Individuals under Data Compromise Response Expenses is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

D. DEDUCTIBLES

1. We will not pay for "loss" until the amount of the insured "loss" exceeds the deductible amount shown in the Cyber Suite Coverage Form Supplemental Declarations. We will then pay the amount of "loss" in excess of the applicable deductible amount, subject to the applicable limits shown in the Cyber Suite Coverage Form Supplemental Declarations. You will be responsible for the applicable deductible amount.
2. The deductible will apply to all:

- a. "Loss" arising from the same insured event or interrelated insured events under Data Compromise Response Expenses or Computer Attack and Cyber Extortion.
 - b. "Loss" resulting from the same "wrongful act" or interrelated "wrongful acts" insured under Data Compromise Liability, Network Security Liability or Electronic Media Liability.
3. Insurance coverage under Identity Recovery is not subject to a deductible.

E. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

1. Bankruptcy

The bankruptcy or insolvency of you or your estate, will not relieve you or us of any obligation under this Coverage Form.

2. Defense And Settlement

- a. We shall have the right and the duty to assume the defense of any applicable "claim" or "regulatory proceeding" against you. You shall give us such information and cooperation as we may reasonably require.
- b. You shall not admit liability for or settle any "claim" or "regulatory proceeding" or incur any defense costs without our prior written consent.
- c. At the time a "claim" or "regulatory proceeding" is first reported to us, you may request that we appoint a defense attorney of your choice. We will give full consideration to any such request.
- d. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "claim" or "regulatory proceeding" independently of us. Our liability shall not exceed the amount for which the claim or suit could have been settled if such recommendation was consented to, plus defense costs incurred by us, and defense costs incurred by you with our written consent, prior to the date of such refusal.
- e. We will not be obligated to pay any "loss" or "defense costs", or to defend or continue to defend any "claim" or "regulatory proceeding" after the applicable limit of insurance has been exhausted.
- f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:
 - (1) After entry of judgment; and
 - (2) Before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments will be in addition to and not part of the applicable limit of insurance.

3. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" insured under this Coverage Form. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;
- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information", "personally sensitive information" or "third party corporate data", including shredding hard copy files and destroying physical media used to store electronic data.

4. Duties in the Event of a Claim, Regulatory Proceeding or Loss

- a. If, during the "policy period", incidents or events occur which you reasonably believe may give rise to a "claim" or "regulatory proceeding" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with a federal, state or local agency; or upon an oral "claim", allegation or threat, you shall give written notice to us as soon as practicable and either:
 - (1) Anytime during the "policy period"; or
 - (2) Anytime during the extended reporting periods (if applicable).
- b. If a "claim" or "regulatory proceeding" is brought against you, you must:
 - (1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received;
 - (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you;
 - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "regulatory proceeding";
 - (4) Authorize us to obtain records and other information;
 - (5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";
 - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this insurance may also apply; and
 - (7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".
- c. In the event of a "personal data compromise", "identity theft", "computer attack" or "cyber extortion threat" insured under this coverage form, you and any involved "identity recovery insured" must see that the following are done:
 - (1) Notify the police if a law may have been broken.
 - (2) Notify us as soon as practicable, but in no event more than 60 days after the "personal data compromise", "identity theft", "computer attack" or "cyber extortion threat". Include a description of any property involved.
 - (3) As soon as possible, give us a description of how, when and where the "personal data compromise", "identity theft", "computer attack" or "cyber extortion threat" occurred.
 - (4) As often as may be reasonably required, permit us to:
 - (a) Inspect the property proving the "personal data compromise", "identity theft", "computer attack" or "cyber extortion threat";
 - (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
 - (5) Send us signed, sworn proof of "loss" containing the information we request to investigate the "personal data compromise", "identity theft", "computer attack" or "cyber extortion threat". You must do this within 60 days after our request. We will supply you with the necessary forms.
 - (6) Cooperate with us in the investigation or settlement of the "personal data compromise", "identity theft", "computer attack" or "cyber extortion threat".
 - (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
 - (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
 - (9) Promptly send us any legal papers or notices received concerning the "loss".
- d. We may examine you under oath at such times as may be reasonably required, about any matter relating to this insurance or the "claim", "regulatory proceeding" or "loss", including your books and records. In the event of an examination, your answers must be signed.