

04-0889-00
 HOMESTAR INSURANCE SERVICES LLC
 PO BOX 487
 MANTENO IL 60950-0487

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

PO BOX 30660 • LANSING, MI 48909-8160

Agency phone: 815.468.8763

04-28-2025

Owners Insurance Company

This is not a bill. The premium can be paid before a bill is sent using any of the following methods:

Pay Online
www.auto-owners.com
 Pay My Bill

Pay by Mail
 AUTO-OWNERS INSURANCE
 PO BOX 740312
 CINCINNATI, OH 45274-0312

Pay by Phone
 1.800.288.8740

STONEGATE VILLAS CONDOMINIUM INC
 400 STONEGATE WAY
 MANTENO IL 60950-3716

RE: Policy 244604-07326704-25

Billing Account 102144499

Thank you for selecting Auto-Owners Insurance Group to service your insurance needs!

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages, and rates. Please take this opportunity to review your insurance needs with your Auto-Owners agent **815.468.8763**, and discuss which company and program might be appropriate for you. After talking with your agent, if there are any unanswered questions, please contact us at 517.323.1200.

Auto-Owners Insurance Company was formed in 1916. Our A+ (Superior) rating by AM Best signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of five property and casualty companies and a life insurance company.

Serving Our Policyholders and Agents Since 1916

NOTICE OF PRIVACY PRACTICES

What We Do To Protect Your Privacy

At Auto-Owners Insurance Group*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting www.auto-owners.com, and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at www.auto-owners.com/privacy.

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to www.auto-owners.com. The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

How Long We Retain Your Information

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

Changes to the Privacy Policy

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at www.auto-owners.com/privacy or by contacting us.

Contact Us

Auto-Owners Insurance Company
Phone: 844-359-4595 (toll free)
Email: privacyrequest@aoins.com

*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

POLICYHOLDER ASSISTANCE AND INFORMATION

Dear Policyholder:

We are here to serve you and as our policyholder your satisfaction is very important to us. Should you have any questions or a complaint regarding your policy that cannot be resolved by your agent, you may contact our Illinois Branch Office for assistance. Please direct your inquiries to:

Branch Manager
Auto-Owners Insurance Company
6715 North Big Hollow Rd.
Peoria, Illinois 61615
P.O. Box 3337
Peoria, Illinois 61612-3337
Telephone: 309-693-2550

You may contact the Illinois Department of Insurance at any time for further assistance at the following address: Public Services Section, Department of Insurance, 320 West Washington, Springfield, Illinois 62767.

Auto-Owners Insurance Company
Owners Insurance Company
Auto-Owners Life Insurance Company

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. This policy does not provide coverage for certified acts of terrorism, since you have previously declined this coverage.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge will be made for this coverage after January 1, 2028. It will be prorated for the period beginning January 1, 2028 and ending on the expiration date of this policy term. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extended. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to exclude coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078 815-468-8763

INSURED STONEGATE VILLAS CONDOMINIUM INC

ADDRESS 400 STONEGATE WAY
MANTENO IL 60950-3716

TAILORED PROTECTION POLICY DECLARATIONS

Rewrite Effective 04-22-2025

POLICY NUMBER 244604-07326704-25

Company Use 07-46-IL-2404

Company Bill

Policy Term

12:01 a.m. to 12:01 a.m.

04-22-2025 to 04-22-2026

55039 (11-87)

COMMON POLICY INFORMATION

Business Description: Condo Association

Entity: Association

Program: Condominium-Residential Association

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S):	PREMIUM
COMMERCIAL PROPERTY COVERAGE	\$27,901.00
COMMERCIAL GENERAL LIABILITY COVERAGE	\$3,241.00
TOTAL	\$31,142.00
THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
Paid in Full Discount applies.	
The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.	

Forms that apply to all coverage part(s) shown above (except garage liability, dealer's blanket, commercial automobile, if applicable):
IL0017 (11-85) 55003 (07-12) 59392 (11-20)

Countersigned By: COMPANY ISSUED

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

54104 (07-87)

COMMERCIAL PROPERTY COVERAGE

55198 (12-10)

STANDARD PROPERTY PLUS COVERAGE PACKAGE DECLARATION

The coverages and limits below apply separately to each location or sublocation that sustains a loss to covered property and is designated in the Commercial Property Coverage Declarations. No deductible applies to the below Property Plus Coverages.

COVERAGE	LIMIT
ACCOUNTS RECEIVABLE	\$100,000
BAILEES	\$5,000
	\$2,500 PER ITEM
BUSINESS INCOME & EXTRA EXPENSE W/RENTAL VALUE, INCLUDING NEWLY ACQUIRED LOC'S 72 HOUR WAITING PERIOD	\$50,000
DEBRIS REMOVAL	\$25,000
ELECTRONIC DATA PROCESSING EQUIPMENT	\$25,000
EMPLOYEE DISHONESTY	\$15,000
FINE ARTS, COLLECTIBLES AND MEMORABILIA	\$10,000
	\$2,500 PER ITEM
FIRE DEPARTMENT SERVICE CHARGE	\$5,000
FORGERY AND ALTERATION	\$10,000
MONEY AND SECURITIES INSIDE PREMISES	\$15,000
MONEY AND SECURITIES OUTSIDE PREMISES	\$15,000
NEWLY ACQUIRED BUSINESS PERSONAL PROPERTY	\$500,000 FOR 90 DAYS
NEWLY ACQUIRED OR CONSTRUCTED PROPERTY	\$1,000,000 FOR 90 DAYS
ORDINANCE OR LAW	SEE COMMERCIAL PROPERTY DECLARATIONS
OUTDOOR PROPERTY	\$15,000
TREES, SHRUBS OR PLANTS	\$1,000 PER ITEM
RADIO OR TELEVISION ANTENNAS	\$10,000
PERSONAL EFFECTS AND PROPERTY OF OTHERS	\$15,000
POLLUTANT CLEAN UP AND REMOVAL	\$25,000
PROPERTY IN TRANSIT	\$25,000
PROPERTY OFF PREMISES	\$25,000
REFRIGERATED PRODUCTS	\$10,000
SALESPERSON'S SAMPLES	\$10,000

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company POLICY NUMBER 244604-07326704-25
Bill 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

55198 (12-10)

STANDARD PROPERTY PLUS COVERAGE PACKAGE DECLARATION

COVERAGE	LIMIT
UTILITY SERVICES FAILURE	\$50,000
VALUABLE PAPERS AND RECORDS ON PREMISES	\$50,000
VALUABLE PAPERS AND RECORDS OFF PREMISES	\$10,000
WATER BACK-UP FROM SEWERS OR DRAINS	\$15,000

Forms that apply to this coverage part:

64004 (12-10)	54198 (12-10)	54334 (12-10)	64020 (12-10)	54189 (12-10)
54186 (12-10)	54218 (03-13)	54217 (07-17)	54216 (03-13)	54214 (03-13)
54221 (12-10)	54220 (06-00)	54219 (12-10)	54338 (03-13)	54339 (03-13)
64010 (12-10)	64352 (12-20)	64000 (12-10)		

Coverages Provided

Insurance at the described premises applies only for coverages for which a limit of insurance is shown.

LOCATION 0001 - BUILDING 0001**Location:** 400 Stonegate Way, Manteno, IL 60950-3716**Occupied As:** Condominium**Secured Interested Parties:** None**Rating Information**

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Class Rate - Pers Prop: 0.449

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$453,600		
Causes of Loss					
Basic Group I	80%	\$10,000*		0.128	\$581.00
Basic Group II	80%	\$10,000*		0.123	\$558.00
Windstorm/Hail	80%	2% *			Included
Special	80%	\$10,000*		0.021	\$95.00
Theft	80%	\$10,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$102.00
Tier: Standard					
Equipment Breakdown			Excluded		

Owners Ins. Co.

Issued 04-28-2025

 AGENCY HOMESTAR INSURANCE SERVICES LLC
 04-0889-00 MKT TERR 078

 Company
 Bill

POLICY NUMBER 244604-07326704-25
 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$10,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$10,000	\$60,000		Included
Coverage C-Increased Cost		\$10,000	\$60,000		Included
PERSONAL PROPERTY			\$20,640		
Causes of Loss					
Basic Group I	80%	\$10,000*		0.241	\$50.00
Basic Group II	80%	\$10,000*		0.078	\$16.00
Windstorm/Hail	80%	2% *			Included
Special	80%	\$10,000*		0.053	\$11.00
Theft	80%	\$10,000*			Included
OPTIONAL COVERAGE					
Replacement Cost					
Inflation Guard Factor Personal Property 1.027					
Property Plus Coverage Package		None	See 55198 (12-10)		\$6.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage D-Tenant's I&B		\$10,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	CP0320 (10-90)	64036 (02-12)
CP0090 (07-88)	54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)
64013 (12-10)	64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)
59392 (11-20)				

COMMERCIAL PROPERTY COVERAGE - LOCATION 0001 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59352	EXCLUDED
TERRORISM COVERAGE	
A PREMIUM CHARGE MAY BE MADE EFFECTIVE 01-01-28 SEE FORMS 54833, 59392	
LOCATION 0001	\$1,419.00

LOCATION 0002 - BUILDING 0001**Location:** 401 Stonegate Way # 404, Manteno, IL 60950-3717**Occupied As:** Condominium**Secured Interested Parties:** None

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company POLICY NUMBER 244604-07326704-25
Bill 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

Rating Information

Territory: 235

County: Kankakee

Program: Condominium-Residential A

Construction: Frame

Protection Class: 03

Class Code: 0333

Class Rate - Building: 0.283

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0002**Location:** 401 Stonegate Way # 404, Manteno, IL 60950-3717**Occupied As:** Condominium**Secured Interested Parties:** None**Rating Information**

Territory: 235

County: Kankakee

Program: Condominium-Residential A

Construction: Frame

Protection Class: 03

Class Code: 0333

Class Rate - Building: 0.283

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0003

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0004

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

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POLICY NUMBER 244604-07326704-25
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INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
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54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0005

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

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POLICY NUMBER 244604-07326704-25
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INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0006

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0007

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

 AGENCY HOMESTAR INSURANCE SERVICES LLC
 04-0889-00 MKT TERR 078

 Company
 Bill

POLICY NUMBER 244604-07326704-25
 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0008**Location:** 401 Stonegate Way # 404, Manteno, IL 60950-3717**Occupied As:** Condominium**Secured Interested Parties:** None**Rating Information**

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0009

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0010

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0011

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0012

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0013

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0014

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company
Bill

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0016

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Occupied As: Condominium

Secured Interested Parties: None

Rating Information

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

 AGENCY HOMESTAR INSURANCE SERVICES LLC
 04-0889-00 MKT TERR 078

 Company
 Bill

POLICY NUMBER 244604-07326704-25
 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.099	\$848.00
Basic Group II	90%	\$25,000*		0.077	\$660.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.007	\$60.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$130.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

LOCATION 0002 - BUILDING 0017**Location:** 401 Stonegate Way # 404, Manteno, IL 60950-3717**Occupied As:** Condominium**Secured Interested Parties:** None**Rating Information**

Territory: 235

Program: Condominium-Residential A

Protection Class: 03

Class Rate - Building: 0.283

County: Kankakee

Construction: Frame

Class Code: 0333

Owners Ins. Co.

Issued 04-28-2025

 AGENCY HOMESTAR INSURANCE SERVICES LLC
 04-0889-00 MKT TERR 078

 Company
 Bill

POLICY NUMBER 244604-07326704-25
 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT	RATE	PREMIUM
BUILDING			\$856,800		
Causes of Loss					
Basic Group I	90%	\$25,000*		0.059	\$506.00
Basic Group II	90%	\$25,000*		0.046	\$394.00
Windstorm/Hail	90%	1% *			Included
Special	90%	\$25,000*		0.004	\$34.00
Theft	90%	\$100,000*			Included
OPTIONAL COVERAGE					
Inflation Guard Factor Building 1.008					
Replacement Cost					
Property Plus Coverage Package		None	See 55198 (12-10)		\$78.00
Tier: Standard					
Equipment Breakdown			Excluded		
ORDINANCE OR LAW					
Coverage A-Undamaged Portion		\$25,000	Incl in Bldg Limit		Included
Coverage B-Demolition		\$25,000	\$60,000		Included
Coverage C-Increased Cost		\$25,000	\$60,000		Included

*This deductible will apply separately to each building.

Forms that apply to this building:

59352 (01-15)	54833 (07-08)	54236 (02-12)	IL0284 (01-18)	IL0003 (07-02)
64224 (01-16)	64037 (01-12)	64042 (12-10)	59325 (12-19)	64326 (07-19)
64320 (08-19)	IL0017 (11-85)	64393 (08-22)	64036 (02-12)	CP0090 (07-88)
54311 (12-10)	54585 (12-10)	64081 (12-13)	64000 (12-10)	64013 (12-10)
64010 (12-10)	64352 (12-20)	64020 (12-10)	64004 (12-10)	59392 (11-20)

COMMERCIAL PROPERTY COVERAGE - LOCATION 0002 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59352	EXCLUDED
TERRORISM COVERAGE	
A PREMIUM CHARGE MAY BE MADE EFFECTIVE 01-01-28 SEE FORMS 54833, 59392	
LOCATION 0002	\$26,482.00

55040 (11-87)

COMMERCIAL GENERAL LIABILITY COVERAGE

COVERAGE	LIMITS OF INSURANCE
General Aggregate (Other Than Products-Completed Operations)	\$1,000,000
Products-Completed Operations Aggregate	\$1,000,000
Personal And Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

Owners Ins. Co.

Issued 04-28-2025

AGENCY HOMESTAR INSURANCE SERVICES LLC
04-0889-00 MKT TERR 078

Company POLICY NUMBER 244604-07326704-25
Bill 07-46-IL-2404

INSURED STONEGATE VILLAS CONDOMINIUM INC

Term 04-22-2025 to 04-22-2026

COVERAGE	LIMITS OF INSURANCE
Damage to Premises Rented to You (Fire Damage)	\$50,000 Any One Premises
Medical Payments	\$5,000 Any One Person
Assn Directors/Officers Errors and Omissions Agg	\$1,000,000
Assn Directors/Officers Errors and Omissions Occ	\$1,000,000

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55885.

AUDIT TYPE: Non-Audited

Forms that apply to this coverage:

59351 (01-15)	55405 (07-08)	55146 (06-04)	CG2106 (05-14)	CG2109 (06-15)
55688 (05-17)	CG2167 (12-04)	CG0165 (08-05)	IL0021 (07-02)	59325 (12-19)
CG0001 (04-13)	55791 (05-17)	IL0017 (11-85)	55358 (05-17)	IL0147 (09-11)
55513 (05-17)	55029 (05-17)	CG2196 (03-05)	55152 (12-20)	CG2147 (12-07)
55885 (05-17)	59392 (11-20)			

LOCATION 0001 - BUILDING 0001

Location: 400 Stonegate Way, Manteno, IL 60950-3716

Territory: 014

County: Kankakee

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS	RATE	PREMIUM
Assn Directors/Officers Errors And Omissions	00811	Professional	Flat Charge 65		\$382.00
Condominiums - Residential With Pool - (Association Risk Only)	62004	Prem/Op Prod/Comp Op	Units 1 1	Each 1 51.294 4.666	\$51.00 \$5.00

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0001 SUMMARY

	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59351	EXCLUDED
TERRORISM COVERAGE	
A PREMIUM CHARGE MAY BE MADE EFFECTIVE 01-01-28 SEE FORMS 55405, 59392	
LOCATION 0001	\$438.00

LOCATION 0002 - BUILDING 0001

Location: 401 Stonegate Way # 404, Manteno, IL 60950-3717

Territory: 014

County: Kankakee

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS	RATE	PREMIUM
Condominiums - Residential - (Association Risk Only)	62003	Prem/Op Prod/Comp Op	Units 64 64	Each 1 40.140 3.652	\$2,569.00 \$234.00

POLICY NUMBER 244604-07326704-25
07-46-IL-2404

Term 04-22-2025 to 04-22-2026

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0002 SUMMARY	PREMIUM
TERRORISM - CERTIFIED ACTS SEE FORM: 59351	EXCLUDED
TERRORISM COVERAGE	
A PREMIUM CHARGE MAY BE MADE EFFECTIVE 01-01-28 SEE FORMS 55405, 59392	
LOCATION 0002	\$2,803.00

64081 (12-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
00001	001	A
00002	001	A
00002	002	A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

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

The following provision is added to paragraph **G. OPTIONAL COVERAGES, 3. Replacement Cost, b.**:

Roof Surfacing.

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

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

64081 (12-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
00002	003	A
00002	004	A
00002	005	A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

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

The following provision is added to paragraph **G. OPTIONAL COVERAGES, 3. Replacement Cost, b.**:

Roof Surfacing.

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

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

64081 (12-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
00002	006	A
00002	007	A
00002	008	A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

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

The following provision is added to paragraph **G. OPTIONAL COVERAGES, 3. Replacement Cost, b.**:

Roof Surfacing.

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

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

64081 (12-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
00002	009	A
00002	010	A
00002	011	A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

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

The following provision is added to paragraph **G. OPTIONAL COVERAGES, 3. Replacement Cost, b.**:

Roof Surfacing.

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

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
00002	012	A
00002	013	A
00002	014	A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

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

The following provision is added to paragraph **G. OPTIONAL COVERAGES, 3. Replacement Cost, b.**:

Roof Surfacing.
- C.** For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.
- We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.
- B.** The following applies with respect to loss or damage by **wind and/or hail** to a building or structure identified in the Schedule as being subject to this Paragraph **B.**:

64081 (12-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Indicate Applicability (Paragraph A. and/or Paragraph B.)
00002	016	A
00002	017	A
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

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

The following provision is added to paragraph **G. OPTIONAL COVERAGES, 3. Replacement Cost, b.**:

Roof Surfacing.

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

We will not pay for cosmetic damage to roof surfacing caused by wind and/or hail. For the purpose of this endorsement, cosmetic damage means that the wind and/or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, but such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- C.** For the purpose of this endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing.

54186 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER BACK-UP FROM SEWERS OR DRAINS

This endorsement modifies insurance under the following:

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

1. Subject to the provisions of paragraph **2.** below, under **B. EXCLUSIONS**, **g. Water** subparagraph **(3)** is deleted.
2. Under **C. LIMITATIONS** the following limitation is added:

In any one loss, we will not pay more than the Limit of Insurance shown in the Declarations under WATER BACK-UP FROM SEWERS OR DRAINS for loss of or damage to Covered Property caused by water back-up from sewers or drains. In the event that the amount of loss of or damage to Covered Property does not exceed the Limit of Insurance shown in the Declarations for WATER BACKUP FROM SEWERS OR DRAINS, you may, at your option, apply the remainder of this Limit of Insurance to your actual loss of Business Income or necessary Extra Expense, if any, subject to the terms and conditions of the BUSINESS INCOME AND EXTRA EXPENSE COVERAGE FORM, or the BUSINESS INCOME AND EXTRA EXPENSE ACTUAL LOSS SUSTAINED COVERAGE FORM.

All other policy terms and conditions apply.

54198 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEBRIS REMOVAL

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

Under **A. COVERAGE, 4. Additional Coverages, a. Debris Removal, (4)** is deleted and replaced by the following:

- (4)** We will pay an additional amount, up to the Limit of Insurance shown in the Declarations for DEBRIS REMOVAL, for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a)** The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.

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

Therefore, if **(4)(a)** and/or **(4)(b)** apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus the Limit of Insurance shown in the Declarations for DEBRIS REMOVAL.

All other policy terms and conditions apply.

54216 (3-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SALESPERSON'S SAMPLES

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

1. Under the **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:
Salesperson's Samples

We will pay for direct physical loss of or damage to samples of merchandise described which are:

- a. Owned by you while in your care, custody or control;
- b. Owned by you and in the care, custody or control of your salesperson and/or agents; or
- c. While in transit, except by parcel post, between your premises and the salesperson and/or agent caused by or resulting from any Covered Cause of Loss.

This coverage does not apply to:

- (1) Jewelry, furs or articles consisting principally of fur;
- (2) Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises;
- (3) Property at or on the premises of your salespersons and/or agents; or
- (4) Merchandise intended for sale, which may be sold and shipped by you to others, or which has been purchased by you from others.

Our payment for any one loss shall not exceed the Limit of Insurance shown in the Declarations for SALESPERSON'S SAMPLES. The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

2. Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage:
- a. Misappropriation, secretion, conversion, infidelity or any dishonest act by you or other or the employees or agents of either to whom the covered property may be entrusted. This exclusion does not apply to carriers for hire.
 - b. Breakage, marring, scratching, tearing or denting, unless caused by: fire or lightning; aircraft; theft and/or attempted theft; earthquake; flood; explosion; malicious damage or collision, derailment or overturn of a transporting conveyance.
 - c. Mysterious or unexplained disappearance or from shortage disclosed by taking inventory.
 - d. Theft from any vehicle, unless at the time of the theft, there is actually in or upon such vehicle your salesperson, representative or a permanent employee, or a person whose sole duty it is to attend the vehicle. This exclusion shall not apply to property in the custody of a common carrier.
3. In addition to the conditions of this policy, the following conditions apply only this Additional Coverage:
- a. **PAIR OR SET**
In case of loss of or damage to any part of a pair or set, we may:
 - (1) Repair or replace any part of the pair or set to restore it to its value before the loss; or
 - (2) Pay the difference between the actual cash value of the property before and after the loss.
 - b. **PARTS**
In case of loss or damage to any part of property covered, consisting of several parts when complete, we shall pay only for the value of the part lost or damaged.

All other policy terms and conditions apply.

54311 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES - CONDOMINIUM ASSOCIATION COVERAGE

This endorsement modifies insurance provided under the following:

COMMON POLICY CONDITIONS COMMERCIAL PROPERTY CONDITIONS

Under **COMMON POLICY CONDITIONS, F. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY** and **COMMERCIAL PROPERTY CONDITIONS, I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US**, the following is added:

Each unit-owner and secured party is an insured person under the policy with respect to liability arising out of the unit-owner's interest in the common elements or membership in the condominium association.

We waive any rights which the Transfer Of Your Rights And Duties Under This Policy and Transfer Of Rights Of Recovery Against Others To Us Conditions may give us against:

- a. Any unit-owner of the condominium or members of the unit-owner's household;
- b. The Condominium Association; and
- c. Members of the board of directors for actions taken while acting within the scope of their duties.

The unit-owner waives any rights which the Transfer Of Your Rights And Duties Under This Policy and Transfer Of Rights Of Recovery Against Others To Us Conditions give against the condominium association and the board of directors.

All other policy terms and conditions apply.

54339 (3-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BAILEES COVERAGE

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

1. Under **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Bailees Coverage

- a. We will pay for direct physical loss or damage to the property of others that:

- (1) Is in your possession or in the possession of any of your employees; or
- (2) Is being transported by you, any of your employees, a public carrier or mail service.

- b. We will also cover your actual incurred cost for labor and materials.

- c. We do not cover the following properties:

- (1) Property held for storage or for which a storage charge is made. If you do not have instructions from the owner of the goods to store goods held by you, such goods are not considered stored.
- (2) Property while in the possession of any person, company or corporation other than you, your employees, a public carrier or mail service.
- (3) Any land motor vehicle.
- (4) Watercraft.
- (5) Aircraft including objects falling from aircraft.
- (6) Animals, fish, fowl, reptiles or amphibians.
- (7) Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities.
- (8) Contraband or property in the course of illegal transportation or trade.

- d. In addition to other policy exclusions, we will not pay for loss or damage caused directly or indirectly by any of the following. Such loss is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- (1) Misappropriation, secretion, conversion, infidelity or any dishonest act by you or others or the employees or agents of either

to whom the covered property may be entrusted. This exclusion does not apply to carriers for hire.

- (2) Delay.

- (3) Vandalism or malicious mischief.

- (4) Burglary of property left in your delivery vehicles overnight unless locked and in your building which you occupy.

- e. We will pay no more than the smallest of either:

- (1) The cost to replace damaged property with new property of similar quality and features reduced by the amount of decrease in value because of age, wear, obsolescence or market value applicable to the damaged property immediately prior to the loss; or
- (2) The Limit of Insurance shown in the Declarations for BAILEES COVERAGE.

This is an additional amount of insurance.

Our payment for loss of or damage to property of others will only be for the account of the owner of the property.

- f. No deductible applies to this Additional Coverage.

2. The Additional Condition, Coinsurance does not apply to this Additional Coverage.

All other policy terms and conditions apply.

54189 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REFRIGERATED PRODUCTS

This endorsement modifies insurance provided under the following:

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

1. Under the BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM, and the CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM, **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Refrigerated Products

Subject to **3. Limits of Insurance** below, we shall pay for loss of or damage to "perishable stock" caused directly by any of the following:

- (1) Mechanical or electrical breakdown of the refrigeration system; or
- (2) The interruption of electrical services to the refrigeration system caused by direct physical damage to the electrical generating or transmission equipment of your "local utility service" caused by or resulting from any Covered Cause of Loss.

You must exercise diligence in inspecting and maintaining refrigeration equipment. If interruption of electrical service or mechanical or electrical breakdown is known, you must use all reasonable means to protect the covered property from further damage.

2. Under the BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, and the BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **A. COVERAGE, 5. Additional Coverages**, the following Additional Coverage is added:

Refrigerated Products

Subject to **3. Limits of Insurance** below, we shall pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur because of loss or damage to "perishable stock" caused directly by any of the following:

- (1) Mechanical or electrical breakdown of the refrigeration system; or
- (2) The interruption of electrical services to the refrigeration system caused by direct physical damage to the electrical generating or transmission equipment of your "local utility service" caused by or resulting from any Covered Cause of Loss.

You must exercise diligence in inspecting and maintaining refrigeration equipment. If interruption of electrical service or mechanical or electrical breakdown is known, you must use all reasonable means to protect the covered property from further damage.

3. Limits of Insurance

Under:

- a. BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM, and CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM, **C. LIMITS OF INSURANCE**; and
- b. Under BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, and the BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **B. LIMITS OF INSURANCE** the following is added:

Refrigerated Products

The most we shall pay for the sum of **1.** and **2.** above in any one loss, is the Limit of Insurance

shown in the Declarations for REFRIGERATED PRODUCTS.

4. Under the CAUSE OF LOSS - SPECIAL FORM, B.

EXCLUSIONS:

- a.** Exclusion **1.e. Utility Services** is deleted and replaced by the following exclusion for this Additional Coverage only:
 - e. Utility Services**
We shall not pay for loss or damage caused by or resulting from the failure to supply "power supply services" from any regional or national grid.
- b.** Exclusion **2.d.(6)** is deleted and replaced by the following exclusion for this Additional Coverage only:
 - (6)** Mechanical breakdown, including rupture or bursting caused by centrifugal force. However, this does not apply to any resulting loss or damage caused by elevator collision or mechanical breakdown of refrigeration systems.

5. Definitions

The following definitions apply only to this Additional Coverage:

- a.** "Local utility service" means your billing entity, repair entity or service entity directly providing "power supply services" to the premises described in the Declarations.
- b.** "Perishable stock" means merchandise held in storage or for sale that is refrigerated for preservation and is susceptible to loss or damage if the refrigeration fails.
- c.** "Power supply services" means the following types of property supplying electricity to the described premises that are not located on a described premises and not rented, leased or owned by an insured:
 - (1)** Utility generating plants;
 - (2)** Switching stations;
 - (3)** Substations;
 - (4)** Transformers; and
 - (5)** Transmission lines.

All other policy terms and conditions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VALUABLE PAPERS AND RECORDS (OTHER THAN "ELECTRONIC DATA")

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

With respect to coverage provided under this endorsement only, **A. COVERAGE**, is amended as follows:

1. Under **2. Property Not Covered**, **o.** is deleted and replaced by the following:
 - o.** "Valuable papers and records" except as provided under the Additional Coverage - Valuable Papers and Records (Other Than "Electronic Data").
2. Under **4. Additional Coverages**, the following Additional Coverage is added:
Valuable Papers and Records (Other Than "Electronic Data")
We cover "valuable papers and records" that:
 - a.** You own; or
 - b.** Are owned by others and are in your care, custody or control.

If duplicates of "valuable papers and records" do not exist, we will pay the cost to research, and replace or restore the lost information.

This Additional Coverage does not apply to:

- a.** "Valuable papers and records" which exist as "electronic data";
- b.** Property held as samples or for delivery after sale;
- c.** Property in storage away from the premises shown in the Declarations; or
- d.** Errors or omissions in processing or copying "valuable papers and records", unless fire or explosion ensues and then only for direct loss caused by such fire or explosion.

The most we will pay under this Additional Coverage in any one occurrence are the Limits of Insurance shown in the Declarations for:

- a.** VALUABLE PAPERS AND RECORDS ON PREMISES; and

- b.** VALUABLE PAPERS AND RECORDS OFF PREMISES.

The Coinsurance Condition does not apply to this Additional Coverage.

Under **E. LOSS CONDITIONS, 7. Valuation** does not apply to this endorsement. The following applies:

Loss or damage to "valuable papers and records" will be valued at the cost of restoration or replacement of the lost or damaged information. To the extent that the contents of the "valuable papers and records" are not restored, the "valuable papers and records" will be valued at the cost of replacement with blank materials of substantially identical type.

The following additional definitions apply only to this endorsement.

- a.** "Valuable Papers and Records" means inscribed, printed or written:
 - (1)** Documents;
 - (2)** Manuscripts; and
 - (3)** Records including abstracts, books, deeds, drawings, films, maps or mortgages. However, "valuable papers and records" does not mean "money" or "securities".
- b.** "Money" means:
 - (1)** Currency, coins and bank notes in current use and having a face value; and
 - (2)** Travelers checks, register checks and money orders held for sale to the public.
- c.** "Securities" means all negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

- (1) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- (2) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money".

- 3. Under **5. Coverage Extensions, c. Valuable Papers and Records (Other Than "Electronic Data")** is deleted.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC DATA PROCESSING EQUIPMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

A. COVERAGE, 4. Additional Coverages is amended.
The following Additional Coverage is added.

Electronic Data Processing Equipment

a. Covered Property

We will pay for:

- (1) Direct physical loss of or damage to electronic equipment, component parts of such equipment, "media" and air conditioning equipment necessary for the operation of the electronic equipment:
 - (a) Which you own or which is in your care, custody or control; and
 - (b) While located at the premises described in the Declarations. This provision (b) does not apply to "laptop computers"; and
 - (c) Caused by or resulting from any Covered Cause of Loss.
- (2) Your costs to research, replace or restore "electronic data" contained on damaged "media" because such "electronic data" has been destroyed or corrupted.

b. Exclusions

B. EXCLUSIONS of the CAUSES OF LOSS - SPECIAL FORM is amended. The following exclusions are added for purposes of this Additional Coverage only.

- (1) "Electrical disturbance" unless caused by lightning.
- (2) Loss or damage caused by:
 - (a) Data processing "media" failure; or
 - (b) Breakdown or malfunction of the data processing equipment and component parts while the "media" is being run through the system. We will cover loss, damage or expense caused directly by ensuing fire or explosion.
- (3) Actual work upon, installation or testing of Covered Property. We will cover loss, caused by ensuing fire or explosion.

- (4) "Mechanical breakdown". We will cover loss, damage or expense caused directly by lightning or by ensuing fire or explosion.
- (5) Faulty construction or error in design of the Covered Property. We will cover loss, damage or expense caused directly by ensuing fire or explosion.
- (6) Delay or loss of market.
- (7) Breakage, marring, scratching, tearing or denting of any "laptop computer", unless caused by:
 - (a) fire or lightning;
 - (b) aircraft;
 - (c) theft or attempted theft;
 - (d) windstorm or hail;
 - (e) earthquake;
 - (f) flood;
 - (g) explosion;
 - (h) vandalism or malicious mischief; or
 - (i) collision, derailment or overturn of a transporting conveyance.

c. Limit of Insurance

- (1) Our payment for electronic equipment, component parts of such equipment and air conditioning equipment necessary for the operation of such electronic equipment shall not exceed the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.
- (2) Our payment for "media" shall not exceed the smallest of the following:
 - (a) The actual cost to repair, replace or reproduce the "media", including your costs to research, replace or restore information;
 - (b) If the "media" is not repaired, replaced or reproduced, the value of blank "media"; or
 - (c) The Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

The Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT is the total limit of our liability for loss or damage to all Covered Property in any one occurrence at one location. With respect to Covered Property you do not own, we will pay no more than the amount for which you are legally liable.

The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

d. Coverage Extensions

The following extensions apply only to this endorsement.

(1) Property At Newly Acquired Or Temporary Locations

(a) You may extend the coverage provided under **a. Covered Property**, to apply to property:

- 1) At any location you acquire; or
- 2) At any temporary location, other than fairs or exhibitions, you acquire within the territorial limits and intended for similar occupancy or warehousing purposes for the business described in the Declarations.

The most we will pay for loss or damage under this extension is the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

(b) This coverage extension will end when any of the following first occurs:

- 1) Sixty (60) days from your acquisition or use of such property;
- 2) On the date values at such locations are reported to us; or
- 3) On the expiration date of the policy.

(2) Newly Acquired Property

(a) You may extend the coverage provided under **a. Covered Property**, to apply to property which you newly acquire, of the same type as the property covered at the described premises.

The most we will pay for loss or damage under this extension is the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

(b) This coverage extension will end when any of the following first occurs:

- 1) Sixty (60) days from your acquisition or use of such property;
- 2) On the date values of such property are reported to us; or
- 3) On the expiration date of the policy.

Each of these extensions is additional insurance.

e. The following **Additional Coverages** apply only to this endorsement.

(1) Transportation

(a) You may apply up to \$10,000, for any one occurrence for loss of or damage to property caused by:

- 1) Fire; lightning; explosion; smoke; riot and civil commotion; and vandalism and malicious mischief;
- 2) The overturning, upset, or collision of the vehicle transporting the insured property, with another vehicle or object other than the road bed; or
- 3) Theft of an entire shipping bale, case or package from a vehicle:
 - a)** While such property is in a fully enclosed and securely locked body or compartment; and
 - b)** Theft results from forcible entry, evidenced by visible marks

which occurs during transportation by motor vehicles you own, lease or operate.

(b) We do not cover under this extension property held as samples, held for rental or sale or that you rent to others while in the care, custody or control of salespersons.

(2) Business Income and Extra Expense

(a) Business Income

1) Subject to the Limit of Insurance provisions of this Additional Coverage, we will pay for the actual loss of Business Income you sustain as a direct result of the necessary "suspension" of your "operations" during the "period of restoration" caused by accidental direct physical loss of or damage to:

- a)** The electronic equipment or "media" covered by this Additional Coverage;
- b)** The building housing the electronic equipment or "media" that prevents access to and use of the electronic equipment or "media"; or
- c)** The air conditioning or electrical systems that are required to operate the electronic equipment, provided such damage or destruction is inside the building or outside within 1,000 feet of the building

caused by the perils insured against and subject to **b. Exclusions**.

2) We will also pay expenses you incur to reduce the covered loss. We will not pay for expenses:

- a)** You incur to extinguish a fire; or

- b) That exceed the amount by which the covered loss is reduced.
 - 3) Business Income means the:
 - a) Net income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
 - b) Continuing normal operating expenses incurred, including payroll.
- (b) **Extra Expense**
 - 1) Subject to the Limit of Insurance provisions of this Additional Coverage, we will pay necessary Extra Expense, other than loss of Business Income, you incur to continue "normal" operations of your business following accidental direct physical loss of or damage to:
 - a) The electronic equipment or "media" covered by this Additional Coverage;
 - b) The building housing the electronic equipment or "media" that prevents access to and use of the equipment or "media"; or
 - c) The air conditioning or electrical systems that are required to operate the electronic equipment, provided such damage or destruction is inside the building or outside within 1,000 feet of the building caused by the perils insured against and subject to **b. Exclusions**. You must resume normal operation of your business as soon as practical.
 - 2) a) We will also cover the cost to repair, replace or restore:
 - i. Books of account, abstracts, drawings;
 - ii. Card index systems; or
 - iii. Other records or data such as film, tape, disks, drum, cell or other magnetic storage or recording "media" for electronic data processing that have been damaged or destroyed by perils we insure against.
 - b) Such cost must:
 - i. Exceed the normal cost for such repair, replacement or restoration; and
 - ii. Be incurred to reduce loss under this endorsement.
 - 3) Extra Expense means expense incurred:
 - a) To avoid or minimize the "suspension" of business and continue "operations":
 - i. At the described premises; or
 - ii. At replacement premises or at temporary locations, including:
 - (i) Relocation expenses; and
 - (ii) Costs to equip and operate the replacement or temporary locations.
 - b) To minimize the suspension of business if you cannot continue "operations".
 - c) i. To repair or replace any Covered Property; or
 - ii. To research, replace or restore the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.
- (c) **Coverage Extension - Civil Authority**

In this Coverage Extension - Civil Authority, the described premises are premises to which this endorsement applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, you may extend your Business Income and Extra Expense Coverages to apply to the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

 - 1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
 - 2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income and Extra Expense will begin immediately following the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which coverage began.

(d) Exclusions

The following exclusions apply to the Business Income and Extra Expense provided by this Additional Coverage only and are in addition to those contained in **b**.

Exclusions.

- 1) We will not be liable for any increase in loss of Business Income or Extra Expense caused by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:
 - a) Enforcement of any ordinance or law regulating construction, repair or demolition of buildings or structures;
 - b) Interference at the described premises by strikers or other persons with:
 - i. Rebuilding, repairing or replacing the property; or
 - ii. Resumption or continuation of business; or
 - c) The suspension, lapse, or cancellation of any lease, license, contract or order beyond the "period of restoration".
- 2) We will not cover loss or damage caused directly or indirectly by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:
 - a) Theft of any property, which is not an integral part of a building or structure at the time of loss. We will cover direct loss that ensues from a peril not excluded in this policy. We will cover direct loss by pillage and looting which occurs during and at the immediate place of riot or civil commotion.
 - b) Any other consequential or remote loss.

(e) Limit of Insurance

- 1) Business Income
Subject to **(e) Limit of Insurance**, Paragraph **3**), we will pay only for loss of your Business Income that occurs during the "period of restoration", but not exceeding twelve (12) consecutive months after the date of accidental direct physical loss of or damage to Covered Property, resulting from a Covered Cause of Loss.

- 2) Extra Expense
Subject to **(e) Limit of Insurance**, Paragraph **3**), we will pay for necessary Extra Expense during the "period of restoration" starting with the date of damage or destruction. Payments under this coverage shall not be limited by the expiration of the policy.

- 3) Our total payment for both Business Income and Extra Expense for any one occurrence shall not exceed \$100,000.

(f) Loss Determination

- 1) The amount of Business Income loss will be determined based on:
 - a) The Net Income of the business before the direct physical loss or damage occurred;
 - b) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - d) Other relevant sources of information, including:
 - i. Your financial records and accounting procedures;
 - ii. Bills, invoices and other vouchers; and
 - iii. Deeds, liens or contracts.
- 2) The amount of Extra Expense will be determined based on:
 - a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - i. The salvage value that remains of any property bought for temporary use during the "period of restoration" once "operations" are resumed; and
 - ii. Any Extra Expense that is paid for by other insurance, except

for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- b) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

3) Resumption Of Operations

We will reduce the amount of your:

- a) Business Income loss, other than Extra Expense, to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
 - b) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.
- 4) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

(g) Loss Payment - Business Income and Extra Expense

We will pay for covered loss within thirty (30) days after we receive the sworn proof of loss, if:

- 1) You have complied with all of the terms of this endorsement; and
- 2) a) We have reached agreement with you on the amount of loss; or
- b) An appraisal award has been made.

f. Definitions

H. DEFINITIONS is amended. The following definitions are added for purposes of this Additional Coverage only.

- (1) "Electrical Disturbance" means electrical or magnetic damage, disturbance or erasure of electronic recordings.
- (2) "Laptop Computer" means portable data collectors, notebook (laptop) computers, subnotebook computers, palmtop computers, handheld

computers, tablet computers, credit card readers and portable or any similar computer. Laptop computer does not mean cellular phone, wireless phone or pager.

- (3) "Mechanical Breakdown" means component failure or mechanical malfunction, breakdown or failure.
- (4) "Media" means materials on which information is recorded such as film, magnetic tape, paper tape, disks, drums, and cards. Media includes computer software.
- (5) "Normal" means the condition that would have existed had no loss occurred.
- (6) "Operations" means your business activities occurring at the described premises.
- (7) "Period of Restoration":
 - (a) Means the period of time that:
 - 1) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
 - 2) Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.
 - (b) Does not include any increased period required resulting from the enforcement of any law that:
 - 1) Regulates the construction, use or repair, or requires the tearing down of any property; or
 - 2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".
 - (c) The expiration date of this policy will not shorten or cause the "period of restoration" to terminate.
- (8) "Suspension" means:
 - (a) The slowdown or cessation of your business activities; or
 - (b) That a part or all of the described premises is rendered untenable, if coverage for Business Income applies.

All other policy terms and conditions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACCOUNTS RECEIVABLE

This endorsement modifies insurance under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

1. Under **A. COVERAGE, 4. Additional Coverages**, the following Additional Coverage is added:

Accounts Receivable

We will pay:

- a. All amounts your customers owe you that you cannot collect;
- b. Interest charges on loans you secure to offset impaired receipts until we pay these amounts;
- c. Collection costs in excess of normal; and
- d. Other expenses you reasonably incur to re-establish your records which result from direct physical loss of or damage to your records of accounts receivable:
 - i. caused by or resulting from any Covered Causes Of Loss; and
 - ii. which occurs on the premises described in the Declarations.

Our payment for any one loss shall not exceed the Limit of Insurance shown in the Declarations for ACCOUNTS RECEIVABLE.

2. Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage.
- a. Bookkeeping, accounting or billing errors or omissions.
 - b. Falsification, alteration, concealment or destruction of records done to conceal the wrongful giving, taking or withholding of money, securities or other property. This exclusion applies only to the extent of the wrongful giving, taking or withholding.
 - c. Electrical or magnetic injury, disturbance or erasure of electronic recordings. But we do cover direct loss caused by lightning.
 - d. We will not pay for any loss that relies solely upon an audit of records on an inventory computation to prove its factual existence.
3. In addition to the conditions of this policy, the following conditions apply only to this Additional Coverage:
- a. **Protection of Records of Accounts Receivable**
For coverage to apply under this Additional Coverage, you must keep all records of accounts receivable in a locked safe or vault when:
 - (1) You are not open for business; or
 - (2) You are not using such records; or
 - (3) Such records are not removed from premises as permitted under the Additional Coverage, **Preservation of Property**.
 - b. The following is added to the Loss Payment Condition:
 - (1) If you cannot accurately establish the accounts receivable outstanding as of the time of loss or damage, the following method will be used:
 - (a) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and

- (b)** Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
- (2)** The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (a)** The amount of the accounts for which there is no loss or damage;
 - (b)** The amount of the accounts that you are able to re-establish or collect;
 - (c)** An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d)** All unearned interest and service charges.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MONEY AND SECURITIES

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. A. COVERAGE is amended as follows:

1. Under **2. Property Not Covered**, **a.** is deleted and replaced by the following for this endorsement only:
 - a.** Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities.
However, "money" and "securities" are covered as provided by this endorsement.
2. Under **4. Additional Coverages**, the following Additional Coverage is added:

Money And Securities

 - a. Inside The Premises**
 - (1) We will pay for loss of "money" and "securities" inside the "premises" or a "banking premises" resulting directly from:
 - (a) "Theft"; or
 - (b) Disappearance or destruction.
 - (2) We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities" if you are the owner of the "premises" or are liable for damage to it.
 - (3) We will pay for loss of, and loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located in the "premises" resulting directly from an actual or attempted:
 - (a) "Theft" of; or
 - (b) Unlawful entry into those containers.
 - b. Outside The Premises**
 - (1) We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company.
The loss must result from:
 - (a) "Theft"; or

- (b) Disappearance or destruction.
- (2) Any covered "money" and "securities" loss from an armored motor vehicle company, we will pay only for the amount of loss you cannot recover:
 - (a) Under your contract with the armored motor vehicle company; and
 - (b) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

B. EXCLUSIONS

1. The Covered Causes Of Loss Form shown in the Declarations as applicable to Property, does not apply to this coverage.
2. We will not pay for loss caused by any of the following:
 - a. Accounting Or Arithmetical Errors Or Omissions:** Loss resulting from accounting or arithmetical errors or omissions.
 - b. Acts Committed By You, Your Partners Or Your Members:** Loss resulting from any dishonest or criminal act committed by you or any of your partners or members whether acting alone or in collusion with other persons.
 - c. Acts Of Employees, Managers, Directors, Trustees Or Representatives:** Loss resulting from any dishonest or criminal act committed by any of your "employees", managers, directors, trustees or authorized representatives:
 - (1) Acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
 - d. Exchanges Or Purchases:** Loss resulting from the giving or surrendering of property in any exchange or purchase.
 - e. Fire:** Loss from damage to the "premises" resulting from fire, however caused.

- f. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
 - g. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - (1) Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, "money" or "securities".
 - (2) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this insurance.
 - (3) Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
 - h. **Legal Expenses:** Expenses related to any legal action.
 - i. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
 - j. **War And Military Action:** Loss or damage resulting from:
 - (1) War, including undeclared or civil war;
 - (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
 - k. **Money Operated Devices:** Loss of property contained in any money operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
 - l. **Transfer Or Surrender Of Property:**
 - (1) Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (a) On the basis of unauthorized instructions; or
 - (b) As a result of a threat to do:
 - 1) Bodily harm to any person; or
 - 2) Damage to any property.
 - (2) However, this exclusion does not apply under A.2.b. above to loss of covered "money" and "securities" while outside the "premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or
 - (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.
 - m. **Vandalism:** Loss from damage to the "premises" or its exterior or to containers of covered "money" and "securities" by vandalism or malicious mischief.
 - n. **Voluntary Parting Of Title To Or Possession Of Property:** Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.
- C. LIMIT OF INSURANCE**
The most we will pay for loss of "money" and "securities" inside the "premises", and outside the "premises" are the Limits of Insurance shown in the Declarations for MONEY AND SECURITIES.
- D. DEDUCTIBLE**
We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations for MONEY AND SECURITIES. We will then pay the amount of loss in excess of the Deductible Amount up to the Limit of Insurance.
- E. GENERAL CONDITIONS**
The following Conditions apply in addition to the Common Policy Conditions:
- 1. **Consolidation - Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
 - a. Any additional persons become "employees"; or
 - b. You acquire the use and control of any additional "premises"
 any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:
 - a. Give us written notice within 30 days thereafter; and
 - b. Pay us an additional premium.
 - 2. **Discovery Period For Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
 - 3. **Duties In The Event Of Loss**
 - a. After you discover a loss or a situation that may result in loss of, or loss from damage to, covered "money" or "securities" you must:
 - (1) Notify us as soon as possible.

(2) Submit to examination under oath at our request and give us a signed statement of your answers.

(3) Give us a detailed, sworn proof of loss within 120 days.

(4) Cooperate with us in the investigation and settlement of any claim.

b. If you have reason to believe that any loss of or loss from damage to, covered "money" or "securities" involves a violation of law, you must notify the police.

4. **Joint Insured**

a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.

b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

c. An "employee" of any Insured is considered to be an "employee" of every Insured.

d. If this insurance or any of its coverages are canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.

e. We will not pay more for loss sustained by more than one Insured than the amount we should pay if all the loss had been sustained by one Insured.

5. **Legal Action Against Us:** You may not bring any legal action against us involving loss:

a. Unless you have complied with all the terms of this insurance;

b. Until 90 days after you have filed proof of loss with us; and

c. Unless brought within 2 years from the date you discover the loss.

6. **Loss Covered Under More Than One Coverage Of This Insurance:** If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

a. The actual amount of loss; or

b. The sum of the limits of insurance applicable to those coverages.

7. **Loss Sustained During Prior Insurance**

a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that

insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:

(1) This insurance became effective at the time of cancellation or termination of the prior insurance; and

(2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance and is limited to the lesser of the amount recoverable under:

(1) This insurance as of its effective date; or

(2) The prior insurance had it remained in effect.

8. **Loss Covered Under This Insurance And Prior Insurance Issued By Us Or Any Affiliate:** If any loss is covered:

a. Partly by this insurance; and

b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

9. **Non-Cumulation Of Limit Of Insurance:** Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

10. **Other Insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity, but not or more than the Limit of Insurance.

11. **Ownership Of Property; Interests Covered:**

The property covered under this insurance is limited to property:

a. That you own or hold; or

b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

12. **Policy Period**

a. The Policy Period is shown in the Declarations.

b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss

that you sustain through acts committed or events occurring during the Policy Period.

- 13. Records:** You must keep records of all Covered Property so we can verify the amount of any loss.

14. Recoveries

- a.** Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
- (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made; and
 - (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- b.** Recoveries do not include any recovery:
- (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
 - (2) Of original "securities" after duplicates of them have been issued.

- 15. Territory:** This insurance covers only acts committed or events occurring within the United States of America (including its territories and possessions), Puerto Rico and Canada.

- 16. Transfer Of Your Rights Of Recovery Against Others To Us:** You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

17. Valuation - Settlement

- a.** Subject to the Limit of Insurance provision we will pay for:
- (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (a) At face value in the "money" issued by that country; or
 - (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
 - (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (a) Pay the value of such "securities" or

replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or

- (b)** Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

- 1) Value of the "securities" at the close of the business on the day the loss was discovered; or
- 2) Limit of Insurance.

- (3)** Loss of, or loss from damage to "property other than money and securities" or loss from damage to the "premises" for not more than the:

- (a) Actual cash value of the property on the day the loss was discovered;
- (b) Cost of repairing the property or "premises"; or
- (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

- b.** We may, at our option, pay for loss of, or loss from damage to, property other than "money":

- (1) In the "money" of the country in which the loss occurred; or
- (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

- c.** Any property that we pay for or replace becomes our property.

F. DEFINITIONS

1. "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Employee" means:
 - a.** Any natural person:
 - (1) While in your service (and for 30 days after termination of service);
 - (2) Whom you compensate directly by salary, wages or commissions; and

- (3) Whom you have the right to direct and control while performing services for you; or
- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding however, any such person while having care and custody of property outside the "premises". However, "employee" does not mean any:
 - (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.
- 3. "Messenger" means you, any of your partners or any "employee" while having care and custody of the property outside the "premises".
- 4. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
- 5. "Occurrence" means an:
 - a. Act or series of related acts involving one or more persons; or
 - b. Act or event, or a series of related acts or events not involving any person.
- 6. "Premises" means the interior of that portion of any building you occupy in conducting your business.
- 7. "Property Other Than Money And Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Coverage Form as Property Not Covered.
- 8. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money".
- 9. "Theft" means any act of stealing.
- 10. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FORGERY OR ALTERATION

This endorsement adds Crime Coverage to the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. COVERAGE

We will pay for loss involving Covered Instruments resulting directly from the Covered Causes of Loss.

1. **Covered Instruments:** Checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:
 - a. Made or drawn by or drawn upon you;
 - b. Made or drawn by one acting as your agent; orthat are purported to have been so made or drawn.

2. **Covered Cause of Loss:** Forgery or alteration of, on or in any Covered Instrument.

3. **Coverage Extension**

Legal Expenses: If you are sued for refusing to pay any Covered Instrument on the basis that it has been forged or altered, and you have our written consent to defend the suit, we will pay for any reasonably legal expenses that you incur and pay in that defense. The amount we will pay under this extension is in addition to the Limit of Insurance applicable to this insurance.

B. EXCLUSIONS

We will not pay for loss as specified below:

1. **Acts Committed by You or Your Partners:** Loss resulting from any dishonest or criminal act committed by you or any of your partners whether acting alone or in collusion with other persons.
2. **Acts of Employees, Directors, or Trustees:** We will not pay for loss resulting from any dishonest or criminal act committed by any of your "employees", directors, or trustees:
 - a. Whether acting alone or in collusion with other persons; or
 - b. Whether while performing services for you or otherwise.
3. **Governmental Action:** Loss resulting from seizure or destruction or property by order of governmental authority.

4. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:
 - a. Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Instruments.
 - b. Payment of damages of any type for which you are legally liable. But, we will pay compensatory damages arising directly from a loss covered under this insurance.
 - c. Payment of costs, fees or other expenses you incur in establishing either the existence or the amount of loss under this insurance.
5. **Legal Expenses:** Expenses related to any legal action.
6. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.
7. **War and Similar Actions:** Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

C. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the Limit of Insurance shown in the Declarations for FORGERY AND ALTERATION.

D. DEDUCTIBLE

We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations for FORGERY AND ALTERATION. We will then pay the amount of loss in excess of the Deductible Amount up to the Limit of Insurance. This provision does not apply to legal expenses paid under the Coverage Extension.

E. GENERAL CONDITIONS

1. **Consolidation - Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:
 - a. Any additional persons become "employees"; or
 - b. You acquire the use and control of any additional "premises";any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:
 - a. Give us written notice within 30 days thereafter; and
 - b. Pay us an additional premium.
2. **Discovery Period for Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.
3. **Duties in the Event of Loss:** After you discover a loss or a situation that may result in loss of, or loss from damage to, Covered Instruments you must:
 - a. Notify us as soon as possible.

- b. Submit to examination under oath at our request and give us a signed statement of your answers.
- c. Give us a detailed, sworn proof of loss within 120 days.
- d. Cooperate with us in the investigation and settlement of any claim.

4. Joint Insured

- a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named Insured ceases to be covered, then the next named Insured will become the first named Insured.
- b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.
- c. An "employee" of any Insured is considered to be an "employee" of every Insured.
- d. If this insurance or any of its coverages is canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.
- e. We will not pay more for loss sustained by more than one Insured than the amount we should pay if all the loss had been sustained by one Insured.

5. Legal Action Against Us: You may not bring any legal action against us involving loss:

- a. Unless you have complied with all the terms of this insurance;
- b. Until 90 days after you have filed proof of loss with us; and
- c. Unless brought within 2 years from the date you discover the loss.

6. Loss Covered Under More Than One Coverage of This Insurance: If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

- a. The actual amount of loss; or
- b. The sum of the limits of insurance applicable to those coverages.

7. Loss Sustained During Prior Insurance

- a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:
 - (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
 - (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.
- b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance and is limited to the lesser of the amount recoverable under:
 - (1) This insurance as of its effective date; or

(2) The prior insurance had it remained in effect.

8. Loss Covered Under This Insurance and Prior Insurance Issued by Us or Any Affiliate: If any loss is covered:

- a. Partly by this insurance; and
- b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

9. Non-Cumulation of Limit of Insurance: Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

10. Other Insurance: This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity, but not or more than the Limit of Insurance.

11. Ownership of Property; Interests Covered: The property covered under this insurance is limited to property:

- a. That you own or hold; or
- b. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

12. Policy Period

- a. The Policy Period is shown in the Declarations.
- b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

13. Records: You must keep records of all Covered Instruments so we can verify the amount of any loss.

14. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made;
 - (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.
- b. Recoveries do not include any recovery:
 - (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or

(2) Of original "securities" after duplicates of them have been issued.

15. Territory: This insurance covers only acts committed or events occurring within the United States of America, U.S. Virgin Islands, Puerto Rico, Canal Zone or Canada.

16. Transfer of Your Rights of Recovery Against Others to Us: You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

17. Valuation - Settlement

a. Subject to the Limit of Insurance provision we will pay for:

(1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America;

(a) At face value in the "money" issued by that country; or

(b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.

(2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:

(a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities";

(b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:

i. Value of the "securities" at the close of the business on the day the loss was discovered; or

ii. Limit of Insurance.

(3) Loss of, or loss from damage to "property other than money and securities" or loss from damage to the "premises" for not more than the:

(a) Actual cash value of the property on the day the loss was discovered;

(b) Cost of repairing the property or "premises"; or

(c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

b. We may, at our option, pay for loss of, or loss from damage to, property other than "money:"

(1) In the "money" of the country in which the loss occurred; or

(2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.

- c. Any property that we pay for or replace becomes our property.

18. Facsimile Signatures: We will treat mechanically reproduced facsimile signatures the same as handwritten signatures.

19. Proof of Loss: You must include with your proof of loss any instrument involved in that loss, or if that is not possible, an affidavit setting forth the amount and cause of loss.

F. DEFINITIONS

1. "Employee" means:

- a. Any natural person:

- (1) While in your service (and for 30 days after termination of service);

- (2) Whom you compensate directly by salary, wages or commissions; and

- (3) Whom you have the right to direct and control while performing services for you; or

- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding however, any such person while having care and custody of property outside the "premises".

But "employee" does not mean any:

- (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or

- (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

2. "Money" means:

- a. Currency, coins and bank notes in current use and having a face value; and

- b. Travelers checks, register checks and money orders held for sale to the public.

3. "Occurrence" means all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.

4. "Property Other Than Money and Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Coverage Form and Property Not Covered.

5. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and

- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money".

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYEE DISHONESTY

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

A. A. COVERAGE is amended as follows:

We will pay for loss involving Covered Property resulting directly from the Covered Cause of Loss.

1. **Covered Property** for this endorsement means "money", "securities", and "property other than money and securities".
2. **Covered Cause of Loss** means "Employee Dishonesty".
3. **Coverage Extension**
Employee Temporarily Outside Coverage Territory: We will pay for loss caused by any "employee" while temporarily outside the territory specified in **E. GENERAL CONDITIONS, 15. Territory** for a period not more than 90 days. The amount we pay under this Extension is part of, not in addition to, the Limit of Insurance shown in the Declarations for **EMPLOYEE DISHONESTY**.
4. "Money" and "securities" as defined in this endorsement are withdrawn from **2. Property Not Covered**.

B. EXCLUSIONS

1. The Covered Causes Of Loss Form shown in the Declarations as applicable to Property, does not apply to this Coverage.
2. We will not pay for loss caused by any of the following:
 - a. **Acts Committed By You, Your Partners Or Your Members:** Loss resulting from any dishonest or criminal act committed by you, any of your partners or members whether acting alone or in collusion with other persons.
 - b. **Governmental Action:** Loss resulting from seizure or destruction of property by order of governmental authority.
 - c. **Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:

- (1) Your inability to realize income that you would have realized had there been no loss of, or loss from damage to, Covered Property.

- (2) Payment of damages of any type for which you are legally liable. However, we will pay compensatory damages arising directly from a loss covered under this insurance.

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

- d. **Legal Expenses:** Expenses related to any legal action.

- e. **Nuclear:** Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

- f. **War And Military Action:**

Loss or damage resulting from:

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

- g. **Employee Canceled Under Prior Insurance:** Loss caused by any "employee" of yours, or predecessor in interest of yours, for whom similar prior insurance has been canceled and not reinstated since the last such cancellation.

- h. **Inventory Shortages:** Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

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(1) An inventory computation; or

(2) A profit and loss computation.

C. LIMIT OF INSURANCE

The most we will pay for loss in any one "occurrence" is the Limit of Insurance shown in the Declarations for EMPLOYEE DISHONESTY.

D. DEDUCTIBLE

1. We will not pay for loss in any one "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations for EMPLOYEE DISHONESTY. We will then pay the amount of loss in excess of the Deductible Amount up to the Limit of Insurance. This provision does not apply to legal expenses paid under the Coverage Extension.

2. You must:

- a. Give us notice as soon as possible of any loss of the type insured under this Coverage Form even though it falls entirely within the Deductible Amount.
- b. Upon our request, give us a statement describing the loss.

E. GENERAL CONDITIONS

1. **Consolidation - Merger:** If through consolidation or merger with, or purchase of assets of, some other entity:

- a. Any additional persons become "employees"; or
- b. You acquire the use and control of any additional "premises"

any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises", but only if you:

- a. Give us written notice within 30 days thereafter; and
- b. Pay us an additional premium.

2. **Discovery Period For Loss:** We will pay only for covered loss discovered no later than one year from the end of the policy period.

3. **Duties In The Event Of Loss:** After you discover a loss or a situation that may result in loss of, or loss from damage to Covered Property, you must:

- a. Notify us as soon as possible.
- b. Submit to examination under oath at our request and give us a signed statement of your answers.
- c. Give us a detailed, sworn proof of loss within 120 days.
- d. Cooperate with us in the investigation and settlement of any claim.

4. Joint Insured

- a. If more than one Insured is named in the Declarations, the first named Insured will act for itself and for every other Insured for all purposes of this insurance. If the first named

Insured ceases to be covered, then the next named Insured will become the first named Insured.

b. If any Insured or partner or officer of that Insured has knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every Insured.

c. An "employee" of any Insured is considered to be an "employee" of every Insured.

d. If this insurance or any of its coverages are canceled or terminated as to any Insured, loss sustained by that Insured is covered only if discovered no later than one year from the date of that cancellation or termination.

e. We will not pay more for loss sustained by more than one Insured than the amount we would pay if all such loss had been sustained by one Insured.

5. **Legal Action Against Us:** You may not bring any legal action against us involving loss:

- a. Unless you have complied with all the terms of this insurance;
- b. Until 90 days after you have filed proof of loss with us; and
- c. Unless brought within 2 years from the date you discover the loss.

6. Loss Covered Under More Than One Coverage Of This Insurance:

If two or more coverages of this insurance apply to the same loss, we will pay the lesser of:

- a. The actual amount of loss; or
- b. The sum of the limits of insurance applicable to those coverages.

7. Loss Sustained During Prior Insurance

a. If you, or any predecessor in interest, sustained loss during the period of any prior insurance that you or the predecessor in interest could have recovered under that insurance except that the time within which to discover loss had expired, we will pay for it under this insurance, provided:

- (1) This insurance became effective at the time of cancellation or termination of the prior insurance; and
- (2) The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

b. The insurance under this Condition is part of, not in addition to, the Limits of Insurance and is limited to the lesser of the amount recoverable under:

- (1) This insurance as of its effective date; or
- (2) The prior insurance had it remained in effect.

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8. Loss Covered Under This Insurance And Prior Insurance Issued By Us Or Any Affiliate:

If any loss is covered:

- a. Partly by this insurance; and
 - b. Partly by any prior canceled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest
- the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

9. Non-Cumulation Of Limit Of Insurance:

Regardless of the number of years this insurance remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

- 10. Other Insurance:** This insurance does not apply to loss recoverable or recovered under other insurance or indemnity. However, if the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this insurance will apply to that part of the loss, other than that falling within any deductible amount, not recoverable or recovered under the other insurance or indemnity, but not for more than the Limit of Insurance.

11. Ownership Of Property; Interests Covered:

The property covered under this insurance is limited to property:

- a. That you own or hold; or
 - b. For which you are legally liable.
- However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

12. Policy Period

- a. The Policy Period is shown in the Declarations.
- b. Subject to the Loss Sustained During Prior Insurance condition, we will pay only for loss that you sustain through acts committed or events occurring during the Policy Period.

- 13. Records:** You must keep records of all Covered Property so we can verify the amount of any loss.

14. Recoveries

- a. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
 - (1) To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible Amount, if any;
 - (2) Then to us, until we are reimbursed for the settlement made; and

- (3) Then to you, until you are reimbursed for that part of the loss equal to the Deductible Amount, if any.

- b. Recoveries do not include any recovery:

- (1) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (2) Of original "securities" after duplicates of them have been issued.

- 15. Territory:** This insurance covers only acts committed or events occurring within the United States of America (including its territories and possessions), Puerto Rico and Canada.

16. Transfer Of Your Rights Of Recovery Against Others To Us:

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

17. Valuation - Settlement

- a. Subject to the Limit of Insurance provision we will pay for:
 - (1) Loss of "money" but only up to and including its face value. We may, at our option, pay for loss of "money" issued by any country other than the United States of America:
 - (a) At face value in the "money" issued by that country; or
 - (b) In the United States of America dollar equivalent determined by the rate of exchange on the day the loss was discovered.
 - (2) Loss of "securities" but only up to and including their value at the close of business on the day the loss was discovered. We may, at our option:
 - (a) Pay the value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
 - (b) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
 - 1) Value of the "securities" at the close of the business on the day

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the loss was discovered; or

2) Limit of Insurance.

- (3) Loss of, or loss from damage to "property other than money and securities" or loss from damage to the "premises" for not more than the:

- (a) Actual cash value of the property on the day the loss was discovered;
- (b) Cost of repairing the property or "premises"; or
- (c) Cost of replacing the property with property of like kind and quality.

We may, at our option, pay the actual cash value of the property or repair or replace it.

If we cannot agree with you upon the actual cash value or the cost of repair or replacement, the value or cost will be determined by arbitration.

- b. We may, at our option, pay for loss of, or loss from damage to, property other than "money":
 - (1) In the "money" of the country in which the loss occurred; or
 - (2) In the United States of America dollar equivalent of the "money" of the country in which the loss occurred determined by the rate of exchange on the day the loss was discovered.
- c. Any property that we pay for or replace becomes our property.

18. Cancellation As To Any Employee: This insurance is canceled as to any "Employee":

- a. Immediately upon discovery by:
 - (1) You; or
 - (2) Any of your partners, officers or directors not in collusion with the "employee"
 of any dishonest act committed by that "employee" whether before or after becoming employed by you.
- b. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing. The notice will be mailed to you at your last mailing address known to us.

F. DEFINITIONS

- 1. "Employee" means:
 - a. Any natural person:
 - (1) While in your service (and for 30 days after termination of service);
 - (2) Whom you compensate directly by salary, wages or commissions; and
 - (3) Whom you have the right to direct and control while performing services for you; or

- b. Any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you excluding however, any such person while having care and custody of property outside the "premises". However, "employee" does not mean any:
 - (1) Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
 - (2) Director or trustee except while performing acts coming within the scope of the usual duties of an employee.

- 2. "Employee Dishonesty" in paragraph A.2. means only dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:
 - a. Cause you to sustain loss; and also
 - b. Obtain financial benefit (other than employee benefits earned in the normal course of employment, including: salaries, commissions, fees, bonuses, promotions, awards, profit sharing or pensions) for:
 - (1) The "employee"; or
 - (2) Any person or organization intended by the "employee" to receive that benefit.
- 3. "Money" means:
 - a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
- 4. "Occurrence" means all loss caused by, or involving one or more "employees", whether the result of a single act or series of acts.
- 5. "Property Other Than Money And Securities" means any tangible property other than "money" and "securities" that has intrinsic value but does not include any property listed in any Coverage Form as Property Not Covered.
- 6. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you but does not include "money".

All other policy terms and conditions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the COMMERCIAL PROPERTY COVERAGE PART.

- A. The following is added to The LEGAL ACTION AGAINST US Condition:
The two year period for legal action against us is extended by the number of days between the date the proof of loss is filed with us and the date we deny the claim in whole or in part.
- B. If this policy covers:
1. The following in a. and b., then Paragraphs 2. and 3. apply:
 - a. Real property used principally for residential purposes up to and including a four family dwelling; or
 - b. Household or personal property that is usual or incidental to the occupancy of any premises used for residential purposes.
 2. The second paragraph of the Appraisal Condition is deleted and replaced by the following:
 - a. Each party will pay its own appraiser and bear the other expenses of the appraisal and umpire equally, except as provided in b. below.
 - b. We will pay your appraiser's fee and the umpire's appraisal fee, if the following conditions exist:
 - (1) You demanded the appraisal; and
 - (2) The full amount of loss, as set by your appraiser, is agreed to by our appraiser or by the umpire.
 3. The Concealment, Misrepresentation Or Fraud Condition is replaced by the following:
CONCEALMENT, MISREPRESENTATION OR FRAUD
 - a. This Coverage Part or Coverage Form is void if you or any insured ("insured") commit fraud or conceal or misrepresent a fact in the process leading to the issuance of this insurance, and such fraud, concealment or misrepresentation is stated in the policy or endorsement or in the written application for this policy and:
 - (1) Was made with actual intent to deceive; or
 - (2) Materially affected either our decision to provide this insurance or the hazard we assumed.However, this condition will not serve as a reason to void this Coverage Part or Coverage Form after the Coverage Part or Coverage Form has been in effect for one year or one policy term, whichever is less.
 - b. This Coverage Part or Coverage Form is void if you or any other insured ("insured"), at any time subsequent to the issuance of this insurance, commit fraud or intentionally conceal or misrepresent a material fact relating to:
 - (1) This Coverage Part or Coverage Form;
 - (2) The Covered Property;
 - (3) Your interest in the Covered Property; or
 - (4) A claim under this Coverage Part or Coverage Form.
 - c. Notwithstanding the limitations stated in 3.a. above, we may cancel the Coverage Part or Coverage Form in accordance with the terms of the Cancellation Condition.
- C. For the Commercial Property Coverage Part, the following exclusion and related provisions are added to Paragraph B.2. Exclusions in the Causes of Loss Forms and to any Coverage Form or policy to which a Causes of Loss Form is not attached:
1. We will not pay for loss or damage arising out of any act committed:
 - a. By or at the direction of any insured; and
 - b. With the intent to cause a loss.
 2. However, this exclusion will not apply to deny payment to any innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
 - a. The loss arose out of a pattern of criminal domestic violence; and
 - b. The perpetrator of the loss is criminally prosecuted for the act causing the loss.

3. If we pay a claim pursuant to Paragraph C.2., our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- D. If this policy includes the MOTEL/HOTEL PLUS - CRIME COVERAGE ENDORSEMENT, condition g. Other Insurance is deleted and replaced by the following:
 - g. Other Insurance
You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this policy. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of insurance under this policy bears to the Limits of Insurance of all applicable policies.

54334 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UTILITY SERVICES FAILURE

This endorsement modifies insurance provided under the following:

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

A. A. COVERAGE is amended as follows:

1. Under BUILDING AND PERSONAL PROPERTY COVERAGE FORM, CONDOMINIUM ASSOCIATION COVERAGE FORM AND CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM, **4. Additional Coverages**, the following is added:

Utility Services Failure

We shall pay for loss or damage to Covered Property due to the interruption of utility service(s) to the premises described in the Declarations. The interruption must result from direct physical damage by a Covered Cause of Loss to the property of your "local utility service".

2. Under BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM and BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **5.**

Additional Coverages, the following is added:

Utility Services Failure

We shall pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to the interruption of utility service(s) to the premises described in the Declarations. The interruption must result from direct physical damage by a Covered Cause of Loss to the property of your "local utility service".

B. Limits of Insurance

The most we shall pay for the sum of **A.1.** and **2.** above, in any one loss, is the Limit of Insurance shown in the Declarations for UTILITY SERVICES FAILURE.

C. Exclusions

The following exclusions apply only to this endorsement:

1. Perishable Stock

We will not pay for loss or damage to "perishable stock".

2. Power or Other Utility Grid Failure

Under CAUSES OF LOSS - SPECIAL FORM, **B. EXCLUSIONS**, exclusion **1.e. Utility Services** is deleted and replaced by the following:

e. Utility Services

We shall not pay for loss or damage caused by or resulting from the failure to supply "communication supply services", "power supply services" or "water supply services" from any regional or national grid.

D. Definitions

1. Under BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM, **F. DEFINITIONS**, and BUSINESS INCOME (AND EXTRA EXPENSE) ACTUAL LOSS SUSTAINED COVERAGE FORM, **D. DEFINITIONS**, **4.** "Period of restoration" is deleted and replaced by the following with respect to the coverage provided by this endorsement only:

4. "Period of restoration" means period of time that:

- a. Begins immediately following the time of the interruption of utility service(s) to premises described in the Declarations caused by or resulting from direct physical loss or damage by a Covered Cause of Loss to the property of your "local utility service"; and
- b. Ends on the date when the interruption of utility service to the premises described in the Declarations is restored. "Period of restoration" does not mean any increased period required due to the enforcement of any ordinance or law that:
 - a. Regulates the construction, use or repair, or requires the tearing down of any property; or
 - b. Regulates the prevention, control, re-

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pair, clean-up or restoration of environmental damage.

The expiration date of this policy will not shorten or cause the "period of restoration" to terminate.

2. The following definitions apply only to this Additional Coverage:

- a. "Communication Supply Services"** meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, that are not located on a described premises and not rented, leased or owned by any insured, such as:
 - (1)** Communication transmission lines, including optic fiber transmission lines;
 - (2)** Coaxial cables; and
 - (3)** Microwave radio relays, except satellites.
- b. "Local Utility Service"** means your billing entity, repair entity or service entity directly supplying your "communication supply services", "power supply services" or "water supply services" to the premises described in the Declarations.

- c. "Perishable Stock"** means merchandise held in storage or for sale that is refrigerated for preservation and is susceptible to loss or damage if the refrigeration fails.
- d. "Power Supply Services"** meaning the following types of property supplying electricity, steam or gas to the described premises, that are not located on a described premises and not rented, leased or owned by any insured:
 - (1)** Utility generating plants;
 - (2)** Switching stations;
 - (3)** Substations;
 - (4)** Transformers; and
 - (5)** Transmission lines.
- e. "Water Supply Services"** mean the following types of property supplying water to the described premises, that are not located on a described premises and not rented, leased or owned by any insured:
 - (1)** Pumping stations; and
 - (2)** Water mains.

All other policy terms and conditions apply.

54338 (3-13)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINE ARTS, COLLECTIBLES AND MEMORABILIA

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM ASSOCIATION COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
CAUSES OF LOSS - SPECIAL FORM

A. Under A. COVERAGE, 4. Additional Coverages,
the following Additional Coverage is added:

Fine Arts, Collectibles and Memorabilia

1. Coverage

We will pay for direct physical loss or damage to "fine arts", "collectibles" and "memorabilia" that are:

- a.** Located at the premises described in the Declarations;
- b.** Not held for sale; and
- c.** Owned by:
 - (1)** You; or
 - (2)** If you are:
 - (a)** An individual, your spouse.
 - (b)** A partnership or a joint venture, your members, your partners and their spouses.
 - (c)** A limited liability company, your members.
 - (d)** An organization other than a partnership, joint venture or limited liability company, your "executive officers".
 - (e)** A trust, your trustees.

2. Exclusions

Under **B. EXCLUSIONS** of the CAUSES OF LOSS - SPECIAL FORM, the following exclusions are added to apply only to this Additional Coverage.

- a.** An action committed by you or at your direction with the intent to cause loss or damage.
- b.** Damage caused by any repairing, restoration or retouching process.
- c.** Breakage of art glass windows, statuary, marble, glassware, bric-a-brac, porcelains and similar fragile articles unless caused by:
 - (1)** Fire or lightning;
 - (2)** Aircraft;

- (3)** Theft or attempted theft;
- (4)** Earthquake;
- (5)** Flood or storm surge;
- (6)** Malicious damage; or
- (7)** Collision, derailment or overturn of conveyance

except as we may state otherwise.

- d.** Mysterious disappearance unless the loss is a direct result of forcible entry of which there is visible evidence.
- e.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

3. Limit Of Insurance

We will pay no more than the smallest of either:

- a.** The cost to replace damaged property with new property of similar quality and features reduced by the amount of decrease in value because of age, wear, obsolescence or market value applicable to the damaged property immediately prior to the loss; or
- b.** The limits shown in the Declarations for FINE ARTS, COLLECTIBLES AND MEMORABILIA.

In no event shall our payment for all items in any one loss exceed the limits shown in the Declarations for FINE ARTS, COLLECTIBLES AND MEMORABILIA.

Our payment for loss of or damage to "fine arts", "collectibles", and "memorabilia" will only be for the account of the owner of the property. This is an additional amount of insurance.

4. Deductible

No deductible applies to this Additional Coverage.

5. Conditions

- a.** In case of loss of or damage to any part of a pair or set, we may:

- (1) Repair or replace any part of the pair or set to restore it to its value before the loss; or
- (2) Pay the difference between the actual cash value of the property before and after the loss.
- b. In case of loss or damage to any part of property covered, consisting of several parts when complete, we shall pay only for the value of the part lost or damaged.
- c. In the event of loss or damage to property covered, claim payment is subject to the insurable interest of the covered insured.
- B. Under **F. ADDITIONAL CONDITIONS, Coinsurance**, does not apply to this coverage.
- C. Under **C. LIMITATIONS** of CAUSES OF LOSS - SPECIAL FORM, paragraph **2.b.** does not apply to this Additional Coverage.
- D. The following **Definitions** apply to this Additional Coverage only:

- 1. "Fine arts" mean paintings, etchings, pictures, tapestries, art glass windows and other bona fide works of art of rarity, historical value or artistic merit.
- 2. "Collectibles" mean objects collected as a hobby, for display or as an investment whose value may appreciate.
- 3. "Memorabilia" means objects valued for their connection to historical events, culture, entertainment or experiences worthy of remembrance.
- 4. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.

All other policy terms and conditions apply.

54585 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

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

The Windstorm or Hail Deductible, as shown in the Declarations and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded elsewhere in this policy. If you have a flood insurance policy, a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that policy.

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings:

- a.** Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance.
- b.** Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance.

Items of insurance and corresponding Limit(s) of Insurance are shown in the Declarations.

WINDSTORM OR HAIL DEDUCTIBLE CALCULATIONS

A. Calculation Of The Deductible - All Policies

- 1.** A deductible is calculated separately for, and applies separately to:
 - a.** Each building that sustains covered loss or damage;

- b.** Personal Property in or on the building or in the open (or in a vehicle) within 1,000 feet of the described premises that sustains covered loss or damage; and
- c.** Other Covered Property:
 - (1)** That is scheduled in the Declarations; and
 - (2)** Sustains loss or damage.

If there is damage to both a building and personal property as described in **a.** and **b.** above, separate deductibles apply to the building and to the personal property.

- 2.** We will not pay for loss or damage until the amount of covered loss or damage exceeds the applicable Deductible. We will then pay the amount of covered loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction by any of the following:
 - a.** Coinsurance Condition;
 - b.** Agreed Value Optional Coverage; or
 - c.** Any provision in a Value Reporting Form relating to full reporting or failure to submit reports.
- 3.** When property is covered under Coverage Extension for Newly Acquired or Constructed Property: In determining the amount, if any, that we will pay for covered loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at time of loss. The applicable percentage for Newly Acquired or Constructed Property is the highest percentage shown in the Declarations for any described premises.

B. Calculation Of The Deductible - Specific Insurance Other Than Builders' Risk**1. Property Not Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for covered loss or damage, we will deduct an amount equal to the percentage (as shown in the Declarations) of the Limit(s) of Insurance applicable to the property that has sustained covered loss or damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for covered loss or damage, we will deduct an amount equal to the percentage (as shown in the Declarations) of the value(s) of the property that has sustained covered loss or damage. The value(s) to be used are the latest value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

C. Calculation Of The Deductible - Blanket Insurance Other Than Builders' Risk**1. Property Not Subject To Value Reporting Forms**

In determining the amount, if any, that we will pay for covered loss or damage, we will deduct an amount equal to the percentage (as shown in the Declarations) of the value(s) of the property that has sustained covered loss or damage. The value(s) to be used are those shown in the most recent Statement of Values on file with us.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained covered loss or damage, we will deduct an amount equal to the percentage (as shown in the Declarations) of the value(s) of that property as of the time of covered loss or damage.

D. Calculation Of The Deductible - Builders' Risk Insurance**1. Builders' Risk Other Than Reporting Form**

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to the percentage (as shown in the Declarations) of the actual cash value(s) of that property as of the time of covered loss or damage.

2. Builders' Risk Reporting Form

In determining the amount, if any, that we will pay for covered loss or damage, we will deduct an amount equal to the percentage (as shown in the Declarations) of the value(s) of the property that has sustained covered loss or damage. The value(s) to be used are the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash value(s) as of the report date.
- b. If the first Report of Values is not filed with us prior to covered loss or damage, we will determine the deductible amount as a percentage of the actual cash value(s) of the property as of the time of covered loss or damage.

All other policy terms and conditions apply.

64013 (12-10)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION - SPECIALTY GLASS

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS - SPECIAL FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - BASIC FORM

- A.** Under **LIMITATIONS** in Causes of Loss - Special Form and **LIMITATION** in Causes of Loss - Broad Form and Basic Form, the following limitation is added:
We will not pay more than \$500 in any one occurrence for direct physical loss of or damage to "specialty glass" at the premises described in the Declarations regardless of the number of panes, plates or similar units of glass. Subject to this aggregate, we will not pay more than \$100 for any one pane, plate, multiple plate insulating unit, jalousie, louver or shutter.

This limitation does not apply to loss or damage by the "specified causes of loss", except vandalism.

- B.** Under **DEFINITIONS**, the following definition is added:
"Specialty glass" means art glass, etched glass, half tone screens, memorial windows, mosaic art, roto-gravure screens, stained glass or stained glass in leaded sections.

All other policy terms and conditions apply.

64013 (12-10)

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64042 (12-10)

ILLINOIS CHANGES - ARTIFICIALLY GENERATED ELECTRICAL CURRENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. The exclusion set forth in:

1. Paragraph **B.2.a.** of the CAUSES OF LOSS - BASIC FORM, the CAUSES OF LOSS - BROAD FORM and the CAUSES OF LOSS - SPECIAL FORM; and
2. Paragraph **B.2.b.** of the MORTGAGEHOLDERS ERRORS AND OMISSIONS COVERAGE FORM

is deleted and replaced by the following exclusion:
We will not pay for loss or damage caused by or resulting from artificially generated electrical or magnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

1. Electrical or electronic wire, device, appliance, system or network; or

2. Device, appliance, system or network utilizing cellular or satellite technology.

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

- (a) Electrical current, including arcing; or
- (b) Electrical charge produced or conducted by a magnetic field.

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

- B.** If Illinois Electrical Apparatus endorsement is included in this policy, **A.** above does not apply to such endorsement.

All other policy terms and conditions apply.

64042 (12-10)

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64224 (1-16)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

COMMERCIAL PROPERTY CONDITIONS, I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US is amended. The following condition is added.

If the claim paid is less than the agreed loss because of any deductible or other limiting terms, the recovery is

prorated between you and us based on the interest of each in the loss. This condition only applies if we pay for a loss and then payment is made by those responsible for the loss.

All other policy terms and conditions apply

64224 (1-16)

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64320 (8-19)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS CHANGES - CIVIL UNION

This endorsement modifies insurance under the following:

COMMERCIAL PROPERTY COVERAGE PART

Wherever it is found, the term spouse is replaced by the following phrase.

Spouse or party to a civil union under Illinois law.

All other policy terms and conditions apply.

64326 (7-19)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - ACTUAL CASH VALUE AND DEPRECIATION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Wherever it appears in this Coverage Part and any endorsement attached to this Coverage Part:

- 1.** Actual cash value means the cost to repair or replace lost or damaged property with property of similar quality and features reduced by the amount of depreciation applicable to the lost or damaged property immediately prior to the loss.
- 2.** Depreciation means a decrease in value because of age, wear, obsolescence or market value and includes:
 - a.** The cost of materials, labor and services;

- b.** Any applicable taxes; and
- c.** Profit and overhead necessary to repair, rebuild or replace lost or damaged property.

The meanings of actual cash value and depreciation in this endorsement supersedes any provision in this Coverage Part and any endorsement attached to this Coverage Part to the contrary.

All other policy terms and conditions apply.

64352 (12-20)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - EXCLUSION FOR INSECTS, BIRDS, RODENTS OR OTHER ANIMALS

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS - SPECIAL FORM

B. EXCLUSIONS, 2.d.(5) is deleted and replaced by the following exclusion.

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

All other policy terms and conditions apply.

64393 (8-22)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART
STANDARD PROPERTY POLICY

A. EXCLUSIONS is amended.

The following exclusion is added to **B.**

EXCLUSIONS of the policy.

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

Cyber Incident

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

However, exclusions **A.1. - 3.** do not apply to:

- a. Loss or damage resulting in fire or explosion; or
- b. Vandalism.

B. DEFINITIONS is amended.

The following definition is added to **G.**

DEFINITIONS.

"Electronic Data":

1. Means information, facts, images or sounds stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, on electronic storage devices including, but not limited to, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
2. Is not tangible property.
3. Does not include the insured's "electronic data" that is licensed, leased, rented or loaned to others.

All other policy terms and conditions apply.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

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

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

The descriptions in the headings of this Coverage Form and all applicable endorsements are solely for convenience and form no part of the terms and conditions of coverage.

A. COVERAGE

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

1. Covered Property

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

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

ises, used for making additions, alterations or repairs to the building or structure.

- b. **Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation Of Coverage endorsement:
 - (1) Furniture and fixtures;
 - (2) Machinery and equipment;
 - (3) "Stock";
 - (4) All other personal property owned by you and used in your business;
 - (5) Labor, materials or services furnished or arranged by you on personal property of others;
 - (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove; and
 - (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.
- c. **Personal Property Of Others** that is:
 - (1) In your care, custody or control; and

- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

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

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and in your care, custody or control, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. "Electronic data", except as provided under the Additional Coverage - Electronic Data. This Paragraph n. does not apply to your "stock" of prepackaged software;
- o. The cost to replace or restore the information on valuable papers and records, including those which exist as "electronic data". Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valu-

able Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as "electronic data";

- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
 - (1) Are licensed for use on public roads; or
 - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or automobiles you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than automobiles, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
 - (1) Grain, hay, straw or other crops; or
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (3) and (4) below, we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4) below, the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit

of Insurance applicable to the Covered Property that has sustained loss or damage.

- (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- (4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.
- Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

(5) Examples

In the following examples, the figures used are for illustrative purposes only and do not reflect your actual insurance.

The following examples assume that there is no Coinsurance penalty.

EXAMPLE #1

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

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

EXAMPLE #2

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

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

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

b. Preservation Of Property

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

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 45 days, unless a higher number of days are shown in the Declarations, after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$2,500 per occurrence, unless a higher limit is shown in the Declarations, for your liability for fire department service charges:

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

d. Pollutant Clean-up And Removal

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

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

The most we will pay under this Additional Coverage for each described premises is \$10,000, unless a higher limit is shown in the Declarations, for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Electronic Data

- (1) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore "electronic data" which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that "electronic data" is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "electronic data" was stored, with blank media of substantially identical type.
- (2) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:
 - (a) If the Causes Of Loss - Special Form applies, coverage under this Additional Coverage, Electronic

Data, is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

- (b) If the Causes Of Loss - Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.
 - (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to coverage provided under this Additional Coverage, Electronic Data.
 - (d) The Covered Causes of Loss include a computer virus, harmful code or similar instruction introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
- (3) Limit of Insurance
- (a) Annual Aggregate Limit – The most we will pay under this Additional Coverage, Electronic Data, for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved is \$10,000, unless a higher limit is shown in the Declarations.
 - (b) Per Occurrence Limit - Subject to (a) above, we will pay up to the following amounts in any one occurrence of loss or damage:
 - 1) \$10,000 if the computer system(s) are equipped with active virus scanning or anti-virus software at the time of loss; or

- 2) \$2,500 if the computer system(s) are not equipped with active virus scanning or anti-virus software at the time of loss.

If loss payment for the first occurrence does not exhaust the annual aggregate limit shown in (a) above, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

f. Fire Extinguisher Systems Recharge Expense

(1) We will pay:

- (a) The cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged on or within 1,000 feet of the described premises; and
- (b) For loss or damage to Covered Property if such loss or damage is the result of an accidental discharge of chemicals from a fire extinguisher or a fire extinguishing system.

(2) No coverage will apply if the fire extinguishing system is discharged during installation or testing.

(3) The most we will pay under this Additional Coverage is \$10,000, unless a higher limit is shown in the Declarations, in any one occurrence.

g. Arson Reward

- (1) We will pay for information which leads to a conviction for arson in connection with a fire loss to Covered Property insured by this policy.
- (2) The most we will pay per occurrence is \$7,500, unless a higher limit is shown in the Declarations, regardless of the number of persons who provide information.

h. Theft Reward

- (1) We will pay for information which leads to a conviction for theft of Covered Property insured by this policy.

- (2) The most we will pay per occurrence is 25% of the amount of covered loss or \$7,500, whichever is less, unless a higher limit is shown in Declarations, regardless of the number of persons who provide information.

i. Rekeying of Locks

(1) If the keys to locks on doors of the building described in the Declarations are a part of a theft loss covered by this policy, we will pay reasonable necessary expenses you incur to rekey locks on doors of the building described in the Declarations.

(2) The most we will pay per occurrence is \$1,000, unless a higher limit is shown in the Declarations.

5. Coverage Extensions

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

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

a. Newly Acquired Or Constructed Property

(1) Buildings

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

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

The most we will pay for loss or damage under this Extension is \$500,000, unless a higher limit is shown in the Declarations, at each building.

(2) Your Business Personal Property

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

- 1) Business personal property (other than "stock"), including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

- 2) Business personal property (other than "stock"), including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or
- 3) Business personal property (other than "stock") that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$250,000, unless a higher limit is shown in the Declarations, at each building.

- (b) This Extension does not apply to:
 - 1) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or
 - 2) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

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

- (a) This policy expires;
- (b) 60 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property, unless a higher number of days are shown in the Declarations; or
- (c) You report values to us.

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

b. Personal Effects And Property Of Others

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

- (1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

- (2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500, unless a higher limit is shown in the Declarations, at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers and Records (Other Than "Electronic Data")

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. However, this Extension does not apply to valuable papers and records which exist as "electronic data".
- (2) If the Causes Of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
- (3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.
- (4) Under this Extension, the most we will pay in any one occurrence to replace or restore the lost information is:
 - (a) \$10,000 at each described premises; and
 - (b) \$10,000 while valuable papers and records are away from a described premises unless higher limit(s) are shown in the Declarations. Such amounts are additional insurance.
- (5) We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property, including "stock",

while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate;
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to Covered Property:
- (a) In or on a vehicle; or
 - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000, unless a higher limit is shown in the Declarations.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor:

- (1) Fences, trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:
- (a) Fire;
 - (b) Lightning;
 - (c) Explosion;
 - (d) Riot or Civil Commotion; or
 - (e) Aircraft.
- The most we will pay for loss or damage is \$10,000, but not more than \$1,000 for any one tree, shrub or plant, unless higher limits are shown in the Declarations. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.
- (2) Radio and television antennas (including satellite dishes), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:
- (a) Fire;
 - (b) Lightning;
 - (c) Windstorm or Hail;
 - (d) Ice, snow or sleet;
 - (e) Explosion;
 - (f) Riot or Civil Commotion; or

(g) Aircraft.

The most we will pay for loss or damage is \$2,000, unless a higher limit is shown in the Declarations. This limit applies to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
- (a) The trailer is used in your business;
 - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
 - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
 - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

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

B. EXCLUSIONS AND LIMITATIONS

See applicable Causes Of Loss Form as shown in the Declarations.

C. LIMITS OF INSURANCE

1. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.
2. The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$5,000, unless a higher limit is shown in the Declarations, per sign in any one occurrence.
3. The amounts of insurance stated in the following Additional Coverages apply in accordance with

the terms of such coverages and are in addition to the Limit(s) of Insurance shown in the Declarations for any other coverage, unless otherwise indicated:

- a. Fire Department Service Charge;
 - b. Pollutant Clean-up And Removal;
 - c. Electronic Data;
 - d. Fire Extinguisher Systems Recharge Expense;
 - e. Arson Reward;
 - f. Theft Reward; and
 - g. Rekeying of Locks.
4. Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.
5. **Your Business Personal Property Limit - Seasonal Increase**
- a. Subject to Paragraph 5.b. below, the Limit of Insurance for Your Business Personal Property is automatically increased by:
 - (1) The percentage shown in the Declarations for Your Business Personal Property - Seasonal Increase; or
 - (2) 25%, if no percentage is shown in the Declarations for Your Business Personal Property - Seasonal Increase to provide for seasonal variances.
 - b. The increase described above in Paragraph 5.a., will apply only if the Limit of Insurance shown for Your Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:
 - (1) The 12 months immediately preceding the date loss or damage occurs; or
 - (2) The period of time you have been in business as of the date the loss or damage occurs.

D. DEDUCTIBLE

The applicable Deductible shown in the Declarations will apply unless otherwise stated by endorsement.

In any one occurrence of loss or damage (hereinafter referred to as loss), the Deductible will apply as follows:

- 1. We will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage.
 - a. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss.
 - b. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss and

will pay the resulting amount or the Limit of Insurance, whichever is less.

- 2. If Paragraph 1., above does not apply:
 - a. If the amount of loss is less than or equal to the Deductible, we will not pay for that loss.
 - b. If the amount of loss exceeds the Deductible, we will then subtract the Deductible from the loss and will pay the resulting amount or the Limit of Insurance, whichever is less.

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

- 3. No Deductible applies to the following Additional Coverages:
 - a. Fire Department Service Charge;
 - b. Fire Extinguisher Systems Recharge Expense;
 - c. Arson Reward;
 - d. Theft Reward; and
 - e. Rekeying of Locks.

In the following examples, the figures used are for illustrative purposes only and do not reflect your actual insurance.

The following examples assume there is no Coinsurance penalty.

EXAMPLE #1

Deductible:	\$ 250
Limit of Insurance - Building #1:	\$60,000
Limit of Insurance - Building #2:	\$80,000
Loss to Building #1:	\$60,100
Loss to Building #2:	\$90,000

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

$$\begin{array}{r}
 \$60,100 \\
 - \quad 250 \\
 \hline
 \$59,850 \text{ Loss Payable - Building \#1}
 \end{array}$$

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:
 $\$59,850 + \$80,000 = \$139,850$

EXAMPLE #2

The Deductible and Limits of Insurance are the same as those in Example #1.

Loss to Building #1: (Exceeds Limit of Insurance plus Deductible)	\$70,000
Loss to Building #2: (Exceeds Limit of Insurance plus Deductible)	\$90,000
Loss Payable – Building #1: (Limit of Insurance)	\$60,000
Loss Payable - Building #2: (Limit of Insurance)	\$80,000
Total amount of loss payable:	\$140,000

E. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

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

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

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

3. Duties In The Event Of Loss Or Damage

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

- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
 - (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
 - (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
 - (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
 - (8) Cooperate with us in the investigation or settlement of the claim.
- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

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

- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to **b.** below.

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

- b.** The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c.** We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d.** We will not pay you more than your financial interest in the Covered Property.
- e.** We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f.** We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g.** We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- h.** A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of

subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice.

If you recover the property, at your option, you may retain the property. You must then return to us the amount we paid to you for the property less any expenses to repair the Covered Property and expenses incurred to recover the property. You may give us the recovered property in which case we will pay recovery expenses, subject to the Limit of Insurance.

If we recover the property, at your option, we may return the property to you. We will pay any recovery expenses, subject to the Limit of Insurance. We will also pay any expenses to repair the Covered Property, subject to the Limit of Insurance. However, before we return the Covered Property or pay for the repair of the Covered Property, you must first return to us the amount we paid to you for the property.

6. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

- (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.
- (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
 - 1) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
 - 2) Used by the building owner to conduct customary operations.

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

b. Vacancy Provisions

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

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
- (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in **b.(1)(a)** through **b.(1)(f)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

7. Valuation

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

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

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

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

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:

- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
- (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.
 If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in the procedure.
- (3) Nothing if others pay for repairs or replacement.

F. ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Coinsurance

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

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

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

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

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

Building at Location #2:	\$ 30,000
Personal Property at Location #2:	<u>\$ 20,000</u>
	<u>\$ 50,000</u>

Step (1): $\$250,000 \times 90\% = \$225,000$
(the minimum amount of insurance to meet your Co-insurance requirements and to avoid the penalty shown below)

Step (2): $\$180,000 \div \$225,000 = .80$
 Step (3): $\$50,000 \times .80 = \$40,000$
 Step (4): $\$40,000 - \$1,000 = \$39,000$
 We will pay no more than \$39,000. The remaining \$11,000 is not covered.

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

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

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

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

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

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plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your non-payment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. OPTIONAL COVERAGES

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

1. Agreed Value

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

2. Inflation Guard

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

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

In the following example, the figures used are for illustrative purposes only and do not reflect your actual insurance.

EXAMPLE

If: The applicable Limit of Insurance is: \$100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 = \$3,200$

3. Replacement Cost

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

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

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

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

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

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

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Optional Coverage may also be shown as applicable. If the Declarations show this Optional Coverage as applicable, then Paragraph **3.b.(1)** of the Replacement

Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. DEFINITIONS

1. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F., DEFINITIONS.

The descriptions in the headings of this Coverage Form and all applicable endorsements are solely for convenience and form no part of the terms and conditions of coverage.

A. COVERAGE

1. Business Income

Business Income means the:

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

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations.

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

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

Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- (a) The portion of the building which you rent, lease or occupy; and
- (b) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

2. Extra Expense

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

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

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at

replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

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

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Limitation - Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data", except as provided under the Additional Coverage - Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data", except as provided under the Additional Coverage - Interruption Of Computer Operations.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage - Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not

more than one mile from the damaged property; and

- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin immediately following the time of the first action of civil authority that prohibits access to the described premises; however, if a waiting period is shown in the Declarations, then after such period following the time of the first action of civil authority that prohibits access to the described premises.

Civil Authority Coverage for Business Income will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends
- whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 1,000 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period

of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a)** Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b)** Ends on the earlier of:
 - 1)** The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or
 - 2)** 30 consecutive days after the date determined in **(1)(a)** above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a)** Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b)** Ends on the earlier of:
 - 1)** The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the

"Rental Value" that would have existed if no direct physical loss or damage had occurred; or

- 2)** 30 consecutive days after the date determined in **(2)(a)** above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1)** Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of "electronic data" due to a Covered Cause of Loss.
- (2)** With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:
 - (a)** If the Causes Of Loss - Special Form applies, coverage under this Additional Coverage - Interruption Of Computer Operations is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
 - (b)** If the Causes Of Loss - Broad Form applies, coverage under this Additional Coverage - Interruption Of Computer Operations includes Collapse as set forth in that form.
 - (c)** If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Interruption Of Computer Operations.
 - (d)** The Covered Causes of Loss include a computer virus, harmful code or similar instruction

- introduced into or enacted on a computer system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. However, there is no coverage for an interruption related to manipulation of a computer system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.
- (3) The most we will pay under this Additional Coverage - Interruption Of Computer Operations for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved is \$10,000, unless a higher limit is shown in the Declarations, subject to the following:
- (a) If at the time of interruption, the computer system is equipped with active virus scanning or anti-virus software, this entire amount is available.
 - (b) If at the time of interruption, the computer system is not equipped with active virus scanning or anti-virus software, payment will be limited to \$2,500 for that occurrence.

If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or

incurred in the policy year in which the interruption began.

- (4) This Additional Coverage - Interruption Of Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (3) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

NEWLY ACQUIRED LOCATIONS

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions, if the location you acquire is intended for:
 - (1) Similar use as the location described in the Declarations; or
 - (2) Use as a warehouse.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 60 days expire after you acquire or begin to construct the property; or
 - (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

The Additional Condition, Coinsurance, does not apply to this Extension.

B. LIMITS OF INSURANCE

- 1. The most we will pay for loss in any one occurrence is the applicable Limit of Insurance shown in the Declarations.
- 2. Payments under the following coverages will not increase the applicable Limit of Insurance:
 - a. Alterations And New Buildings;
 - b. Civil Authority;
 - c. Extra Expense; or
 - d. Extended Business Income.
- 3. The amounts of insurance stated in the following apply in accordance with the terms of those

coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

- a. Interruption Of Computer Operations Additional Coverage; and
- b. Newly Acquired Locations Coverage Extension.

C. LOSS CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

2. Duties In The Event Of Loss

- a. You must see that the following are done in the event of loss:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a

Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

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

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

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

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

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

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

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:
 - (1) The Net Income of the business before the direct physical loss or damage occurred;
 - (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

(4) Other relevant sources of information, including:

- (a) Your financial records and accounting procedures;
- (b) Bills, invoices and other vouchers; and
- (c) Deeds, liens or contracts.

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

(1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

- (a) The salvage value that remains of any property bought for temporary use during the "period of restoration" once "operations" are resumed; and
- (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

(2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

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

d. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and;

- a. We have reached agreement with you on the amount of loss; or

b. An appraisal award has been made.

**D. ADDITIONAL CONDITION
COINSURANCE**

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

- 1. The Coinsurance percentage shown for Business Income in the Declarations; times
- 2. The sum of:
 - a. The Net Income (Net Profit or Loss before income taxes), and
 - b. Operating expenses, including payroll expenses
 that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

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

Step(1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;

Step(2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and

Step(3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight - outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;

- (6) Cost of raw stock and factory supplies consumed (including transportation charges);
- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form CP 15 11 is attached);
- (11) All ordinary payroll expenses or the amount of payroll expense excluded (if Form CP 15 10 is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion - not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

In the following examples, the figures used are for illustrative purposes only and do not reflect your actual insurance.

EXAMPLE #1 (UNDERINSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$150,000
 The amount of loss is: \$ 80,000

Step (1): $\$400,000 \times 50\% = \$200,000$
 (the minimum amount of insurance to meet your Co-insurance requirements)

Step (2): $\$150,000 \div \$200,000 = .75$

Step (3): $\$ 80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

EXAMPLE #2 (ADEQUATE INSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$400,000
 The Coinsurance percentage is: 50%
 The Limit of Insurance is: \$200,000
 The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$).

Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. OPTIONAL COVERAGES

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

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:
 - (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
 - (2) The Limit of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

In the following example, the figures used are for illustrative purposes only and do not reflect your actual insurance.

EXAMPLE

When: The Limit of Insurance is: \$120,000
 The fraction shown in the Declarations for this Optional Coverage is: 1/4
 The most we will pay for loss in each period of 30 consecutive days is: \$ 30,000
 ($\$120,000 \times 1/4 = \$30,000$)
 If, in this example, the actual amount of loss is:

Days 1-30:	\$ 40,000
Days 31-60:	\$ 20,000
Days 61-90:	\$ 30,000
	\$ 90,000

We will pay:

Days 1-30:	\$ 30,000
Days 31-60:	\$ 20,000
Days 61-90:	\$ 30,000
	\$ 80,000

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and
 - (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.
 - (2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:
 - (a) The Coinsurance percentage shown in the Declarations; multiplied by
 - (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.
- b. The Additional Condition, Coinsurance, is suspended until:
 - (1) 12 months after the effective date of this Optional Coverage; or
 - (2) The expiration date of this policy whichever occurs first.
- c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:
 - (1) Within 12 months of the effective date of this Optional Coverage; or
 - (2) When you request a change in your Business Income Limit of Insurance.
- d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:
 - (1) The Business Income Limit of Insurance; divided by
 - (2) The Agreed Value.

In the following example, the figures used are for illustrative purposes only and do not reflect your actual insurance.

EXAMPLE

When:	The Limit of Insurance is:	\$ 100,000
	The Agreed Value is:	\$ 200,000
	The amount of loss is:	\$ 80,000

Step (1): $\$100,000 \div \$200,000 = .50$

Step (2): $.50 \times \$80,000 = \$40,000$

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph A.5.c., **Extended Business Income**, the number 30 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. DEFINITIONS

1. "Electronic data" means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.
2. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

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

3. "Operations" means:
 - a. Your business activities occurring at the described premises; and
 - b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.
4. "Period of restoration" means period of time that:
 - a. Begins:
 - (1) Immediately following the time of direct physical loss or damage; however, if a