

Insured's Name Tidevue Estates Civic Association

Policy # VBB137849 00

UMR # _____

(Lloyd's Policies Only)

Policy Dates From 11/15/2024 To 11/15/2025

Surplus Lines Agents Name Kathy Colangelo

Surplus Lines Agents Address 970 Lake Carillon Drive, Suite 200 St. Petersburg FL 33716

Surplus Lines Agents License # A305417

Producing Agent's Name AUSTIN BOYD

Producing Agent's Physical Address 717 Manatee Ave W Ste 300 , Bradenton, FL 34205

"THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER."

"SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY."

Policy Premium \$50,015.00

Policy Fee \$400.00

Inspection Fee \$150.00

Provider Fee \$0.00

Tax \$2,497.91

Service Fee \$30.34

FHCF Assessment \$0.00

Citizen's Assessment \$0.00

EMPA Surcharge \$4.00

Surplus Lines Agent's Countersignature



☐ **"THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."**

☐ **"THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU."**



Insurance Policy

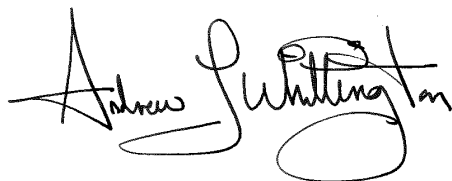
CLAIM OFFICE:

Mail claims to:
945 E. Paces Ferry Rd.
Suite 1800
Atlanta, GA 30326-1160

Fax claims to:
(404) 231-3755
(Attn: Claims Department)

Email claims to:
reportclaims@rsui.com
(Attn: Claims Department)

Your policy has been signed on our behalf by our President and by our Secretary and Treasurer. However, your policy will not be binding on us unless it is also countersigned by one of our duly authorized agents.

A handwritten signature in black ink, reading "Andrew J. Whittington". The signature is fluid and cursive, with the first name "Andrew" and last name "Whittington" clearly legible.

President

**RSUI Indemnity Company
Landmark American Insurance Company
Covington Specialty Insurance Company**

A handwritten signature in black ink, reading "Donald T. Anderson". The signature is cursive and elegant, with a long horizontal flourish extending to the right.

Secretary

**RSUI Indemnity Company
Landmark American Insurance Company
Covington Specialty Insurance Company**



FLORIDA COMMON POLICY DECLARATIONS

THIS POLICY IS ISSUED BY THE COMPANY NAMED BELOW

COMPANY NAME: Covington Specialty Insurance Company (A New Hampshire Stock Company)

BRANCH ADDRESS: 945 East Paces Ferry Road, Suite 1800, Atlanta, GA 30326-1160

POLICY NO.: VBB137849

PRIOR POLICY: VBA950384

NAMED INSURED:
TIDEVUE ESTATES CIVIC ASSOCIATION

MAILING ADDRESS:
4214 11TH STREET COURT EAST
ELLENTON, FL 34222

POLICY PERIOD: From 11/15/2024 to 11/15/2025 12:01 A.M. Standard Time at your Mailing Address above.

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

☒ **THIS INSURANCE IS ISSUED PURSUANT TO THE FLORIDA SURPLUS LINES LAW. PERSONS INSURED BY SURPLUS LINES CARRIERS DO NOT HAVE THE PROTECTION OF THE FLORIDA INSURANCE GUARANTY ACT TO THE EXTENT OF ANY RIGHT OF RECOVERY FOR THE OBLIGATION OF AN INSOLVENT UNLICENSED INSURER.**

☒ **SURPLUS LINES INSURERS' POLICY RATES AND FORMS ARE NOT APPROVED BY ANY FLORIDA REGULATORY AGENCY.**

☐ **THIS POLICY CONTAINS A SEPARATE DEDUCTIBLE FOR HURRICANE OR WIND LOSSES, WHICH MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

☐ **THIS POLICY CONTAINS A CO-PAY PROVISION THAT MAY RESULT IN HIGH OUT-OF-POCKET EXPENSES TO YOU.**

**FLORIDA COMMON POLICY DECLARATIONS**

THIS POLICY IS ISSUED BY THE COMPANY NAMED BELOW

COMPANY NAME: COVINGTON SPECIALTY INSURANCE COMPANY**BRANCH ADDRESS:** 945 East Paces Ferry Road, Suite 1800, Atlanta, GA 30326-1160**POLICY NO.:** VBB137849**NAMED INSURED:**TIDEVUE ESTATES CIVIC ASSOCIATION**THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.**

COVERAGE PARTS			PREMIUM	
Commercial Property			\$	50,015.00
Commercial General Liability			\$	Not Covered
Liquor Liability			\$	Not Covered
Commercial Inland Marine			\$	Not Covered
Commercial Professional Liability			\$	Not Covered
Annual Minimum and Deposit Premium			\$	50,015.00
Audit Period: Annual unless otherwise stated:				
SL taxes and fees	Inspection Fee \$150.00 Policy Fee \$400.00 FL SL Tax(4.94%) \$2,497.91	Terrorism Premium	\$	--Excluded--
Other	Stamping Fee(0.06%) \$30.34 EMPA Fee \$4.00	Other charges (SL taxes, fees)	\$	3,082.25
TOTAL POLICY PREMIUM			\$	53,097.25

FORMS AND ENDORSEMENTS APPLICABLE TO ALL COVERAGE PARTS:**SEE SCHEDULE OF FORMS AND ENDORSEMENTS – GBA900002**

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE CONTRACT OF INSURANCE.

AGENCY NAME / ADDRESS:KATHY COLANGELO A305417HULL & COMPANY - ST. PETERSBURG, FL970 LAKE CARILLON DRIVE, SUITE 200ST. PETERSBURG, FL 33716Countersigned: 11/19/2024
DateBy: 
Authorized RepresentativeIncludes copyrighted material of Insurance Services Office, Inc., with its permission.
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COMMERCIAL LINES SUPPLEMENTAL
DECLARATIONS

POLICY NO.: VBB137849

EFFECTIVE DATE: 11/15/2024

NAMED INSURED: TIDEVUE ESTATES CIVIC ASSOCIATION

SCHEDULE OF ENDORSEMENTS

FORM NUMBER	TITLE
GBA 901001 1112	Insurance Policy Jacket
	Forms Applicable to All Coverage Parts
GBA 900016 0819	Florida Common Policy Declarations
GBA 909008 0407	Florida Important Notice to Policyholders
GBA 909009 0407	Florida Coinsurance Contract Important Notice
GBA 909022 1022	State Fraud Statement
RSG 99018 1211	Notice - Rejection of Terrorism Coverage
GBA 904010 0117	Minimum Earned Premium Retained
GBA 904023 0322	Amendment - Common Policy Conditions (Return Premium)
GBA 904025 1122	Amendment - Nonpayment Cancellation Condition
GBA 906005 0115	Exclusion Of Terrorism
GBA 906015 0423	Exclusion - Marijuana and Cannabis
GBA 909001 0407	Service of Suit
IL 0017 1198	Common Policy Conditions
	Forms Applicable to Coverage Part - PROPERTY
GBA 400001 0516	Commercial Property Coverage Part Declarations
GBA 400002 0117	Commercial Property Coverage Part Supplemental Declarations
CP 0010 1012	Building and Personal Property Coverage Form
CP 0090 0788	Commercial Property Conditions
CP 1030 0917	Causes of Loss - Special Form
CP 1033 0695	Theft Exclusion
GBA 404002 0813	Actual Cash Value Defined
GBA 404005 1222	Coverage Enhancement Endorsement
GBA 404011 1012	Windstorm or Hail Deductible
GBA 404012 0424	Total or Constructive Total Loss Clause
GBA 404018 0120	Equipment Breakdown Coverage Endorsement



POLICY NO.: VBB137849 EFFECTIVE DATE: 11/15/2024

NAMED INSURED: TIDEVUE ESTATES CIVIC ASSOCIATION

SCHEDULE OF ENDORSEMENTS

FORM NUMBER	TITLE
GBA 404025 0823	Warranty Endorsement - Commercial Cooking
GBA 404030 0116	Construction Type Definitions
GBA 404031 0417	Conditional Extension - Building
GBA 404032 0417	Conditional Extension - Business Personal Property
GBA 404039 0120	Additional Covered Property - Fences
GBA 404042 0220	Appraisal Clause Amendment
GBA 406004 0323	Windstorm or Hail Exclusion - Specified Outdoor Property
GBA 406010 0413	Windstorm or Hail Exclusion
GBA 406011 0722	Limitations on Coverage for Roof Surfacing - ACV
GBA 406014 0114	Exclusion of Pathogenic or Poisonous Biological or Chemical Material
GBA 406015 0722	Exclusion - Cosmetic Damage - Limitations on Coverage for Roof Surfacing
GBA 406027 0522	Cyber, Electronic Data and Systems Exclusion
GBA 406029 0223	Exclusion - Pre-Existing Damage
	Forms Applicable to STATE FORMS and ENDORSEMENTS
CP 0125 0223	Florida Changes
GBA 402002 0514	Florida - Sinkhole Loss Coverage
GBA 903001 0914	Florida Changes - Cancellation and Nonrenewal

IMPORTANT NOTICE

IMPORTANT INFORMATION TO FLORIDA POLICYHOLDERS

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

QUESTIONS ABOUT YOUR INSURANCE? - If you have any inquiries, need to obtain coverage information or need assistance in resolving complaints, please do not hesitate to contact your insurance company or agent.

FOR COMMERCIAL INSURANCE CONTACT:

RSUI Group, Inc.
945 East Paces Ferry Road
Suite 1800
Atlanta, GA 30326

Call Collect (404) 231-2366

IMPORTANT NOTICE

FLORIDA NOTICE - COINSURANCE CONTRACT

THE RATE CHARGED IN THIS POLICY IS BASED UPON THE USE OF THE COINSURANCE CLAUSE ATTACHED TO THIS POLICY, WITH THE CONSENT OF THE INSURED.

State Fraud Statements

(Signature Required for New York Only)

ARKANSAS, LOUISIANA, RHODE ISLAND, TEXAS AND WEST VIRGINIA FRAUD STATEMENT

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

ALASKA FRAUD STATEMENT

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

ALABAMA FRAUD STATEMENT

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

ARIZONA FRAUD STATEMENT

For your protection Arizona law requires the following statement to appear on this form. Any person who knowingly presents a false or fraudulent claim for payment of a loss is subject to criminal and civil penalties.

CALIFORNIA FRAUD STATEMENT

For your protection, California law requires that you be made aware of the following: Any person who knowingly presents false or fraudulent information to obtain or amend insurance coverage or to make a claim for the payment of a loss is guilty of a crime and may be subject to fines and confinement in state prison.

COLORADO FRAUD STATEMENT

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

DELAWARE FRAUD STATEMENT

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

DISTRICT OF COLUMBIA FRAUD STATEMENT

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

FLORIDA FRAUD STATEMENT

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

HAWAII FRAUD STATEMENT

For your protection, Hawaii law requires you to be informed that any person who presents a fraudulent claim for payment of a loss or benefit is guilty of a crime punishable by fines or imprisonment, or both.

IDAHO FRAUD STATEMENT

Any person who knowingly, and with intent to defraud or deceive any insurance company, files a statement of claim containing any false, incomplete or misleading information is guilty of a felony.

INDIANA FRAUD STATEMENT

Any person who knowingly and with intent to defraud an insurer files a statement of claim containing any false, incomplete, or misleading information commits a felony.

KANSAS FRAUD STATEMENT

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

KENTUCKY FRAUD STATEMENT

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

MAINE FRAUD STATEMENT

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties may include imprisonment, fines or a denial of insurance benefits.

MARYLAND FRAUD STATEMENT

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

MINNESOTA FRAUD STATEMENT

Any person who files a claim with intent to defraud or helps commit a fraud against an insurer is guilty of a crime.

NEW HAMPSHIRE FRAUD STATEMENT

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

NEW JERSEY FRAUD STATEMENT

Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

NEW MEXICO FRAUD STATEMENT

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

OHIO FRAUD STATEMENT

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

OKLAHOMA FRAUD STATEMENT

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

OREGON FRAUD STATEMENT

Any person who knowingly files a claim containing a false or deceptive statement for payment of a loss or benefit or knowingly presents materially false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

PENNSYLVANIA FRAUD STATEMENT

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

PUERTO RICO FRAUD STATEMENT

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation by a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years, if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

TENNESSEE, VIRGINIA, AND WASHINGTON FRAUD STATEMENT

It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

SIGNATURE REQUIRED – NEW YORK ONLY

NEW YORK FRAUD STATEMENT

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

VBB137849

Policy Number

Insured/Applicant/Claimant (Legal Entity)

By (Authorized Representative) - Printed Name

By (Authorized Representative) - Signature

Title

Date

Policy Number:	VBB137849
Insurer:	COVINGTON SPECIALTY INSURANCE COMPANY
Named Insured:	TIDEVUE ESTATES CIVIC ASSOCIATION

NOTICE - REJECTION OF TERRORISM COVERAGE

Coverage has been “rejected” by the Insured for all acts of terrorism including but not limited to “certified acts of terrorism” under the federal Terrorism Risk Insurance Act.

This Endorsement Changes The Policy. Please Read It Carefully.

MINIMUM EARNED PREMIUM RETAINED

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

If this insurance is cancelled at your request, there will be a minimum earned premium retained by us of \$_____ or 25% of the premium for this insurance, whichever is greater.

Failure of the Insured to make timely payment of premium shall be considered a request by the Insured for the Company to cancel. In the event of any other cancellation by the Company, the earned premium shall be computed pro rata, not subject to the minimum premium.

Nothing in this endorsement is deemed to affect the Company's cancellation rights, which remain indicated in the policy form.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

AMENDMENT – COMMON POLICY CONDITIONS (RETURN PREMIUMS)

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

- A.** Paragraph **A. Cancellation**, item **5.**, of the Common Policy Conditions is deleted and replaced by the following:
 - 5.** If this policy is cancelled, we will send the first Named Insured, or the entity which paid us the premium on behalf of the Named Insured, any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
- B.** Any other endorsement attached to this policy which amends Paragraph **A. Cancellation** of the Common Policy Conditions is amended such that any refund of premiums may instead be sent to the entity which paid us the premium on behalf of the Named Insured. This condition shall supersede any other to the contrary.
- C.** Paragraph **E. Premiums** of the Common Policy Conditions is deleted and replaced by the following:
 - 1.** The first Named Insured shown in the Declarations is responsible for the payment of all premiums.
 - 2.** The first Named Insured shown in the Declarations, or the entity which paid us the premium on behalf of the Named Insured, will be the payee for any return premiums we pay.

This Endorsement Changes The Policy. Please Read It Carefully.

AMENDMENT – NONPAYMENT CANCELLATION CONDITION

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PROFESSIONAL LIABILITY COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART**

The following is added to any Cancellation Condition for nonpayment of premium found anywhere in the policy:

If the insured failed to pay premium or a deductible charged on a prior policy we issued and payment in full has not been made prior to or during the current policy term, we may cancel this policy by mailing or delivering to the first Named Insured and mortgageholder(s), if any, written notice of cancellation at least ten (10) days before the effective date of cancellation.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION OF TERRORISM

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

A. Definitions

1. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
 - a. The act resulted in aggregate losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
 - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
2. "Other act of terrorism" means activities against persons, organizations or property of any nature:
 - A. That involves the following or preparation for the following:
 1. Use or threat of force or violence; or
 2. Commission or threat of a dangerous act; or
 3. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - B. When one or both of the following applies:
 1. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 2. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
 - C. The act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act.

B. The following exclusion is added:

Exclusion of Certified Acts of Terrorism and Other Acts of Terrorism

We will not pay for loss or damage including but not limited to "bodily injury", "property damage", "personal and advertising injury" or medical payments, under any Coverage Part of this policy, caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But with respect to an "other act of terrorism" which may be subject to any underlying policy exclusion, this exclusion applies only when one or more of the following are attributed to such act:

1. That involves the use, release or escape of nuclear materials, or that directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
2. That is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials, or
3. In which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – MARIJUANA AND CANNABIS

This endorsement modifies insurance provided under the following:

**COMMERCIAL PROPERTY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART**

A. The following Exclusion is added:

1. We will not pay for loss or damage to "marijuana", including any in inventory or "stock".
2. We will not pay for that part of Business Income loss or Extra Expense incurred due to a "suspension" of your "operations" which involve your design, manufacture, distribution, sale, serving, furnishing, use, or possession of "marijuana".

However, this exclusion shall not apply to Business Income losses or Extra Expense which are attributable to that part of your "operations" that do not involve your design, manufacture, distribution, sale, serving, furnishing, use, or possession of "marijuana".

B. Paragraph **A.** above does not apply to any "marijuana" that is not designed, manufactured, distributed, sold, served, or furnished for bodily ingestion, inhalation, absorption, consumption, injection, or topical use.

C. The following definition is added to the **Definitions** section:

"Marijuana" means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

Which includes, but is not limited to, any of the following containing such THC or cannabinoid:

1. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
2. Any compound, byproduct, extract, derivative, mixture or combination, such as, but not limited to:
 - a. Resin, oil or wax;
 - b. Hash or hemp; or
 - c. Infused liquid or edible marijuana;

whether derived from any plant or part of any plant set forth in Paragraph **C.1.** above or not.

This Endorsement Changes The Policy. Please Read It Carefully.

SERVICE OF SUIT

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

In the event of our failure to pay any amount claimed to be due, we, at your request, will submit to the jurisdiction of any court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any Court of competent jurisdiction in the United States, to remove an action to a United States District Court or seek a transfer of a case to another Court as permitted by the laws of the United States or of any state in the United States, moreover, this endorsement is not an agreement that the law of a particular jurisdiction applies to any dispute under the policy.

Service of process in such suit may be made upon the Senior Claims Officer of RSUI Group, Inc. 945 East Paces Ferry Road, Suite 1800, Atlanta, GA 30326-1160, or his designee. In any suit instituted against any one of them upon this contract, we will abide by the final decision of such Court or of any Appellate Court in the event of an appeal.

The above named is authorized and directed to accept service of process on our behalf in any such suit and/or upon your request to give a written undertaking to you that we will enter a general appearance upon our behalf in the event such a suit shall be instituted.

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

All other terms and conditions of the policy remain unchanged.

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

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

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

- c. Recommend changes.

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

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

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

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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



COMMERCIAL PROPERTY COVERAGE PART DECLARATIONS

1. POLICY NO.: VBB137849

EFFECTIVE DATE: 11/15/2024

TIDEVUE ESTATES CIVIC ASSOCIATION

2. NAMED INSURED:

3. DESCRIPTION OF PREMISES

☒ "X" If Supplemental Declarations attached

Prem. No.	Bldg. No.	Location	Occupancy	Construction	Year Built	Protection Class
1	1	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	Restaurant/Bar/Tavern	Masonry NC	1960	3
1	2	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	All Other (Medium Hazard)	JM	1985	3
1	3	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	Warehouse or Storage	Frame	1982	5
1	4	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	Warehouse or Storage	NC	2001	3
1	5	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	All Other (Medium Hazard)	Frame	2001	3

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

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance*	Rates	Premium
1	1	Building	\$1,773,200	Special X-theft	80%	2.440	\$43,266.0
1	1	Business Personal Property	\$70,750	Special X-theft	80%	2.383	\$1,686.00
1	1	Fences, Walls and Gates	\$50,000	Special X-theft	80%	3.052	\$1,526.00
1	1	Swimming Pool & Related Equipment	\$25,000	Special X-theft	80%	3.052	\$763.00
1	2	Building	\$122,500	Spec X-wind & X-theft	80%	0.539	\$660.00

*IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENT

OPTIONAL COVERAGES - Applicable only when entries are made in the schedule below.

Prem. No.	Bldg. No.	Agreed Value		Replacement Cost (X)		
		Expiration Date	Coverage	Amount	Building	Personal Property Including "Stock"
1	1				X	
1	1					X
1	1				X	
1	2				X	

Prem. No.	Bldg. No.	Inflation Guard (Percentage)		* Monthly Limit of Indemnity (Fraction)	* Maximum Period of Indemnity (X)	* Extended Period of Indemnity (Days)
		Building	Personal Property			

* APPLIES TO BUSINESS INCOME ONLY

4. MORTGAGEHOLDERS - Applicable to Building Coverage only unless otherwise specified.

Prem. No.	Bldg. No.	Mortgageholder Name and Mailing Address
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5. OTHER COVERAGES \$429.00

6. DEDUCTIBLE

Standard Deductible: \$2,500

Except as otherwise indicated in other endorsements throughout the policy.

TOTAL PREMIUM FOR THIS PAGE

(See Common Policy
Declarations-GBA 900001 for
TOTAL PREMIUM for this
Coverage Part) **\$ 48,330.00**

7. FORMS AND ENDORSEMENTS (other than applicable Forms and Endorsements shown elsewhere in this policy.)

Forms and endorsements applying to this Coverage Part and made a part of this policy at time of issue:

SEE SCHEDULE OF FORMS AND ENDORSEMENTS - GBA900002

THESE DECLARATIONS, WHEN COMBINED WITH THE COMMON POLICY DECLARATIONS, THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE CONTRACT OF INSURANCE.



COMMERCIAL PROPERTY COVERAGE PART SUPPLEMENTAL DECLARATIONS

1. POLICY NO.: VBB137849
TIDEVUE ESTATES CIVIC ASSOCIATION

EFFECTIVE DATE: 11/15/2024

2. NAMED INSURED:

3. DESCRIPTION OF PREMISES

☐ "X" If Supplemental Declarations attached

Prem. No.	Bldg. No.	Location	Occupancy	Construction	Year Built	Protection Class
1	6	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	All Other (Medium Hazard)	Frame	2014	3

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

Prem. No.	Bldg. No.	Coverage	Limit of Insurance	Covered Causes of Loss	Coinsurance*	Rates	Premium
1	3	Building	\$168,750	Spec X-wind & X-theft	80%	0.693	\$1,169.00
1	3	Business Personal Property	\$20,000	Spec X-wind & X-theft	80%	0.641	\$128.00
1	4	Building	\$29,025	Spec X-wind & X-theft	80%	0.514	\$149.00
1	5	Canopies/Awnings	\$10,000	Spec X-wind & X-theft	80%	1.250	\$125.00
1	6	Building	\$25,000	Spec X-wind & X-theft	80%	0.457	\$114.00

*IF EXTRA EXPENSE COVERAGE, LIMITS ON LOSS PAYMENT

OPTIONAL COVERAGES - Applicable only when entries are made in the schedule below.

Prem. No.	Bldg. No.	Expiration Date	Agreed Value Coverage	Amount	Building	Personal Property	Including "Stock"
1	3				X		
1	3					X	X
1	4				X		
1	5				X		
1	6				X		

Prem. No.	Bldg. No.	Inflation Guard (Percentage)	* Monthly Limit of Indemnity (Fraction)	* Maximum Period of Indemnity (X)	* Extended Period of Indemnity (Days)
		Building	Personal Property		

* APPLIES TO BUSINESS INCOME ONLY

4. MORTGAGEHOLDERS - Applicable to Building Coverage only unless otherwise specified.

Prem. No. Bldg. No. Mortgageholder Name and Mailing Address

TOTAL PREMIUM FOR THIS PAGE: \$1,685.00

(See Common Policy Declarations-GBA 900001 for
TOTAL PREMIUM for this Coverage Part)

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.

A. Coverage

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

1. Covered Property

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

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

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property

consists of the following property located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater:

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

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the building or structure or within 100 feet of the premises described in the Declarations, whichever distance is greater.

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 boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- 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. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, **n.**, does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- 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 Valuable 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 autos you manufacture, process or warehouse;

- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
 - (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers; or
- q. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), 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 (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
 - (b) Remove debris of property owned by or leased to the landlord of the building where your described premises are located, unless you have a contractual responsibility to insure such property and it is insured under this policy;
 - (c) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
 - (d) Remove property of others of a type that would not be Covered Property under this Coverage Form;
 - (e) Remove deposits of mud or earth from the grounds of the described premises;
 - (f) Extract "pollutants" from land or water; or
 - (g) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
 - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if **(4)(a)** and/or **(4)(b)** applies, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$25,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

Example 1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 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:	\$ 40,000
Debris Removal Expense Payable	
Basic Amount:	\$ 10,500
Additional Amount:	\$ 25,000

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 (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 is 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph **(4)**. Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 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 30 days after the property is first moved.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 for service at each premises described in the Declarations, unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

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

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

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

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

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

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

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in **e.(3)** through **e.(9)** of this Additional Coverage.
- (3) The ordinance or law referred to in **e.(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.

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

- (a) The enforcement of or compliance with any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b) Any costs associated with the enforcement of or compliance with an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

(7) With respect to this Additional Coverage:

- (a) We will not pay for the Increased Cost of Construction:
 - (i) Until the property is actually repaired or replaced at the same or another premises; and
 - (ii) Unless the repair or replacement is made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

- (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the same premises.
 - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of **e.(6)** of this Additional Coverage, is the increased cost of construction at the new premises.
 - (8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
 - (9) The costs addressed in the Loss Payment and Valuation Conditions and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of or compliance with an ordinance or law. The amount payable under this Additional Coverage, as stated in **e.(6)** of this Additional Coverage, is not subject to such limitation.
- f. Electronic Data**
- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data. This Additional Coverage does not apply to your "stock" of prepackaged software, or to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
 - (2) 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.
- (3) 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 the coverage provided under this Additional Coverage, Electronic Data.
 - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 (unless a higher limit is shown in the Declarations) 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. If loss payment on the first occurrence does not exhaust this amount, 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.

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 100 feet of the described premises.

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

a. Newly Acquired Or Constructed Property

(1) Buildings

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

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

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
 - (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions; or
 - (ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

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

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

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

b. Personal Effects And Property Of Others

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

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

The most we will pay for loss or damage under this Extension is \$2,500 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. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.
- (2) 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 to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist) and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and, therefore, coverage of such costs is not additional insurance.

d. Property Off-premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property 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 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.

e. Outdoor Property

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

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

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

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

f. Non-owned Detached Trailers

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

g. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the building or structure described in the Declarations or within 100 feet of the premises described in the Declarations, whichever distance is greater.

- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
 - (a) Will end 90 days after the business personal property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

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

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

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

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

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

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

D. Deductible

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

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

Example 1

(This example assumes there is no Coinsurance penalty.)

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:

$$\begin{array}{r} \$ 60,100 \\ - \quad 250 \\ \hline \end{array}$$

\$ 59,850 Loss Payable – Building 1

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

(This example, too, assumes there is no Coinsurance penalty.)

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

Loss to Building 1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building 2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building 1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building 2:	\$ 80,000
(Limit of Insurance)	
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 or compliance with 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. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

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

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

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

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

b. Vacancy Provisions

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

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

7. Valuation

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

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

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

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

- (1) Awnings or floor coverings;
 - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
 - (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenants' Improvements and Betterments at:
- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
 - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
 - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
 - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

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

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

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.

Example 1 (Underinsurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 100,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

Step (1): $\$250,000 \times 80\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$100,000 \div \$200,000 = .50$

Step (3): $\$40,000 \times .50 = \$20,000$

Step (4): $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

Example 2 (Adequate Insurance)

When:	The value of the property is:	\$ 250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$ 200,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$250,000 \times 80\%$). Therefore, the Limit of Insurance in this example is adequate, and no penalty applies. We will pay no more than \$39,750 ($\$40,000$ amount of loss minus the deductible of \$250).

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

Example 3

When:	The value of the property is:	
	Building at Location 1:	\$ 75,000
	Building at Location 2:	\$ 100,000
	Personal Property at Location 2:	<u>\$ 75,000</u>
		\$ 250,000
	The Coinsurance percentage for it is:	90%
	The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is:	\$ 180,000
	The Deductible is:	\$ 1,000
	The amount of loss is:	
	Building at Location 2:	\$ 30,000
	Personal Property at Location 2:	<u>\$ 20,000</u>
		\$ 50,000

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

Step (2): $\$180,000 \div \$225,000 = .80$

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.

2. Mortgageholders

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

- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

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

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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

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

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 applies will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the 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.

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 repair or replacement is 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 or compliance with 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 Extension may also be shown as applicable. If the Declarations show this Extension 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. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
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.

COMMERCIAL PROPERTY CONDITIONS

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

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

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

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

B. CONTROL OF PROPERTY

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

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

C. INSURANCE UNDER TWO OR MORE COVERAGES

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

D. LEGAL ACTION AGAINST US

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

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

E. LIBERALIZATION

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

F. NO BENEFIT TO BAILEE

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

G. OTHER INSURANCE

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

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

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

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

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

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

This will not restrict your insurance.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section **G**. Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means direct physical loss unless the loss is excluded or limited in this policy.

B. Exclusions

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

a. Ordinance Or Law

The enforcement of or compliance with any ordinance or law:

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

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;

- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in **b.(1)** through **(4)** above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

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

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic Action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the described property.

This exclusion applies regardless of whether any of the above, in Paragraphs **(1)** through **(5)**, is caused by an act of nature or is otherwise caused.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

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

d. Nuclear Hazard

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

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

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

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

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

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;

- (b) Basements, whether paved or not; or

- (c) Doors, windows or other openings; or

- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

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

h. "Fungus", Wet Rot, Dry Rot And Bacteria

Presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria.

But if "fungus", wet or dry rot or bacteria result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria result from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage, Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria, with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions **B.1.a.** through **B.1.h.** apply whether or not the loss event results in widespread damage or affects a substantial area.

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

a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

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

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or microwaves.

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

- b. Delay, loss of use or loss of market.**
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.**

d.(1) Wear and tear;

(2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;

(3) Smog;

(4) Settling, cracking, shrinking or expansion;

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

(6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.

(7) The following causes of loss to personal property:

(a) Dampness or dryness of atmosphere;

(b) Changes in or extremes of temperature; or

(c) Marring or scratching.

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

e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

f. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

- g.** Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - (1)** You do your best to maintain heat in the building or structure; or
 - (2)** You drain the equipment and shut off the supply if the heat is not maintained.
- h.** Dishonest or criminal act (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1)** Applies whether or not an act occurs during your normal hours of operation;
- (2)** Does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.
- i.** Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- j.** Rain, snow, ice or sleet to personal property in the open.
- k.** Collapse, including any of the following conditions of property or any part of the property:
 - (1)** An abrupt falling down or caving in;
 - (2)** Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (3)** Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to **(1)** or **(2)** above.

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

This exclusion, **k.**, does not apply:

- (a)** To the extent that coverage is provided under the Additional Coverage, Collapse; or
 - (b)** To collapse caused by one or more of the following:
 - (i)** The "specified causes of loss";
 - (ii)** Breakage of building glass;
 - (iii)** Weight of rain that collects on a roof; or
 - (iv)** Weight of people or personal property.
 - l.** Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".
- This exclusion, **l.**, does not apply to damage to glass caused by chemicals applied to the glass.
- m.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- 3.** We will not pay for loss or damage caused by or resulting from any of the following, **3.a.** through **3.c.** But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- a.** Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph **1.** above to produce the loss or damage.
 - b.** Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
 - c.** Faulty, inadequate or defective:
 - (1)** Planning, zoning, development, surveying, siting;
 - (2)** Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
 - (3)** Materials used in repair, construction, renovation or remodeling; or
 - (4)** Maintenance;

of part or all of any property on or off the described premises.

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms:

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

- (1) Any loss caused by or resulting from:
 - (a) Damage or destruction of "finished stock"; or
 - (b) The time required to reproduce "finished stock".This exclusion does not apply to Extra Expense.
- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers.
- (3) Any increase of loss caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.
- (4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".
- (5) Any other consequential loss.

b. Leasehold Interest Coverage Form

- (1) Paragraph **B.1.a.**, Ordinance Or Law, does not apply to insurance under this Coverage Form.
- (2) We will not pay for any loss caused by:
 - (a) Your cancelling the lease;
 - (b) The suspension, lapse or cancellation of any license; or
 - (c) Any other consequential loss.

c. Legal Liability Coverage Form

- (1) The following exclusions do not apply to insurance under this Coverage Form:
 - (a) Paragraph **B.1.a.** Ordinance Or Law;
 - (b) Paragraph **B.1.c.** Governmental Action;
 - (c) Paragraph **B.1.d.** Nuclear Hazard;
 - (d) Paragraph **B.1.e.** Utility Services; and
 - (e) Paragraph **B.1.f.** War And Military Action.
- (2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property:

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated:

1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
 - b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
 - c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

 - (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
 - (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
 - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
 - (2) Changes in or extremes of temperature;
 - (3) Disease;
 - (4) Frost or hail; or
 - (5) Rain, snow, ice or sleet.
2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or
 - (2) Containers of property held for sale.
 - c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

 - (1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, **a.** through **d.**, is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are (unless a higher limit is shown in the Declarations):

- a.** \$2,500 for furs, fur garments and garments trimmed with fur.
- b.** \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c.** \$2,500 for patterns, dies, molds and forms.
- d.** \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, **C.3.**, does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

- a.** Results in discharge of any substance from an automatic fire protection system; or
- b.** Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage, Collapse, applies only to an abrupt collapse as described and limited in **D.1.** through **D.7.**

1. For the purpose of this Additional Coverage, Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- a.** Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- b.** Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d.** Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

- (1) A cause of loss listed in **2.a.** or **2.b.**;
- (2) One or more of the "specified causes of loss";
- (3) Breakage of building glass;
- (4) Weight of people or personal property; or
- (5) Weight of rain that collects on a roof.

3. This **Additional Coverage – Collapse** does not apply to:

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

4. With respect to the following property:

- a.** Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;

- b. Awnings, gutters and downspouts;
 - c. Yard fixtures;
 - d. Outdoor swimming pools;
 - e. Fences;
 - f. Piers, wharves and docks;
 - g. Beach or diving platforms or appurtenances;
 - h. Retaining walls; and
 - i. Walks, roadways and other paved surfaces;
- if an abrupt collapse is caused by a cause of loss listed in **2.a.** through **2.d.**, we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is **not** the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in **2.a.** through **2.d.**;
 - b. The personal property which collapses is inside a building; and
 - c. The property which collapses is not of a kind listed in **4.**, regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph **5.** does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

- 6. This Additional Coverage, Collapse, does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- 7. This Additional Coverage, Collapse, will not increase the Limits of Insurance provided in this Coverage Part.
- 8. The term Covered Cause of Loss includes the Additional Coverage, Collapse, as described and limited in **D.1.** through **D.7.**

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

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

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:
- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
 - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
 - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.
3. The coverage described under **E.2.** of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continue to be present or active, or recur, in a later policy period.

4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria cause an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss form or under the Additional Coverage, Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form:
- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
 - (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

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

This Coverage Extension **F.3.** does not increase the Limit of Insurance.

G. Definitions

1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
2. "Specified causes of loss" means the following:
 - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
 - (1) The cost of filling sinkholes; or
 - (2) Sinking or collapse of land into man-made underground cavities.
 - b. Falling objects does not include loss or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
 - c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THEFT EXCLUSION

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS – SPECIAL FORM

The following is added to the EXCLUSIONS section:

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

But we will pay for:

1. Loss or damage that occurs due to looting at the time and place of a riot or civil commotion; or
2. Building damage caused by the breaking in or exiting of burglars.

And if theft results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

This Endorsement Changes The Policy. Please Read It Carefully.

ACTUAL CASH VALUE DEFINED

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

The following definition is added to any provision which uses the term actual cash value:

Actual cash value is calculated as the amount it would cost to replace, repair or rebuild (whichever is less) the Covered Property, at the time of loss or damage (without allowance for contingencies or soft costs) with material of like kind and quality, less the adjusted deduction for deterioration, depreciation, obsolescence, and depletion. If the foregoing calculation produces a number greater than the fair market value of the Covered Property at the time of loss or damage, then the Actual Cash Value shall be limited to the fair market value.

The actual cash value of the lost or damaged property may be significantly less than its replacement cost.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

COVERAGE ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHEDULE

Coverage Title	Limit of Insurance	Deductible
A. Systems Breakdown Coverage – Electronic Data Processing Equipment	\$25,000 per policy term	\$500
B. Back Up of Sewers, Drains and Sumps Coverage	\$10,000 per policy term	\$500
C. Customers Property on Your Premises Coverage	\$500 per customer; but no more than \$5,000 per occurrence	NONE
D. Personal Effects and Property of Others Coverage	\$5,000	\$500
E. “Money” and “Securities” Coverage – Theft, Disappearance, or Destruction	\$5,000; \$10,000 per policy term	\$500
F. Robbery and Safe Burglary Coverage	\$5,000; \$10,000 per policy term	\$500
G. Fine Arts Coverage	\$5,000 per policy term	\$500
H. Employee Dishonesty	\$2,500	\$500
I. Enhanced Fire Department Service Charge Recharge Extinguisher	\$25,000 \$5,000 sublimit	NONE NONE
J. Pollution Clean Up and Removal	\$20,000 per policy term	\$500
K. Increased Cost of Construction Coverage Single Building Coverage	\$15,000 or 5% of the Limit of Insurance applicable to that building, whichever is less	\$500
L. Valuable Papers and Records Cost of Research (Other Than Electronic Data) Coverage	\$10,000	\$500
M. Enhanced Property Off Premises Coverage	\$15,000	\$500
N. Outdoor Signs Coverage	\$10,000 per policy term	\$1,000
O. Increased Outdoor Property Coverage	\$25,000; but no more than \$1,000 for any one tree, shrub, or plant	\$500
P. Increased Property In Transit Coverage	\$10,000	\$500
Q. Spoilage Coverage	\$2,500 per occurrence; \$5,000 per policy term	\$500

I. COVERAGE ENHANCEMENTS

The following Coverages are added to **A.4. Additional Coverages** of the **Building and Personal Property Coverage Form CP 00 10**, unless otherwise specified below. Each Coverage applies only if a Limit of Insurance is shown in the Coverage Enhancement Endorsement Schedule (for the purpose of this endorsement, referred to as “the Schedule”). Each of these coverages is additional insurance and coverage for such losses only applies to the locations scheduled on the policy declarations or policy schedule. The **Coinsurance** condition does not apply to the following coverages. Unless otherwise noted, all terms, conditions, exclusions and restrictions of the **Building and Personal Property Coverage Form CP 00 10** apply to these coverages. See the Schedule for the Limit of Insurance and Deductible that applies to each coverage. Unless otherwise indicated within each coverage below, refer to **Causes of Loss – Special Form CP 10 30** to determine Covered Causes of Loss.

A. Systems Breakdown Coverage – Electronic Data Processing Equipment

1. We will pay, under this Additional Coverage, for loss or damage arising out of a Covered Cause of Loss to Covered Property located at an insured premises.
2. Under this Additional Coverage, Covered Property means “Electronic Data Processing Equipment” and “Electronic Data Processing Media” which you own, lease, or rent from others or for which you are legally responsible.
3. Under this Additional Coverage, Covered Cause of Loss means loss or damage resulting from or caused by:
 - a. Machinery malfunction;
 - b. Short circuit, blowout or other electrical damage or disturbance;
 - c. Faulty construction, error in design, or actual work being done upon property covered. However, this Cause of Loss is not covered for “electronic data processing media”;
 - d. Electrical or magnetic injury, disturbance, or erasure of electronic recordings.

4. Exclusions

Under this Additional Coverage, we will not pay for:

- a. Loss or damage resulting from:
 - (1) Error or omission on machine programming or incorrect instruction to machine; or
 - (2) Interruption of power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from an insured premises.
- b. Loss or damage to:
 - (1) Property loaned, leased or rented to others while away from the premises listed in the Declarations; or
 - (2) Data or media which cannot be replaced with others of the same kind and quality; or
 - (3) Accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents. But we will cover such property when it is converted to computer readable data form and then only in that form.
5. Under **Causes of Loss – Special Form CP 10 30**, **Exclusion B.3.c.(2), (3), and (4)** do not apply to this Additional Coverage.
6. The most we will pay for the aggregate of all losses in any one policy term for this Additional Coverage is \$25,000.

This Additional Coverage only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

B. Back Up of Sewers, Drains and Sumps Coverage

1. We will pay, under this Additional Coverage, for loss or damage arising out of a Covered Cause of Loss to Covered Property at the premises described in the declarations.
2. Under this Additional Coverage, Covered Property means Covered Property under **Building and Personal Property Coverage Form CP 00 10**.

3. Under this Additional Coverage, Covered Cause of Loss means loss or damage resulting from or caused by water that backs up from sewers, drains or sumps.
4. For the purpose of this Additional Coverage only, under **Causes of Loss – Special Form CP 10 30, Exclusion B.1.g. Water** is deleted and replaced by the following:

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
 - (2) Mudslide or mudflow;
 - (3) Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings.
 - (4) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph (1), or (3), or material carried or otherwise moved by mudslide or mudflow.
5. But if Water, as described in **g.(1)** through **g.(4)** above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).
 6. The most we will pay for the aggregate of all losses in any one policy term for this Additional Coverage is \$10,000.

C. Customers Property on Your Premises Coverage

1. Covered Property under your coverage for Business Personal Property is extended to include personal property of your customers and guests at an insured premises.
2. Under this Additional Coverage, we will not pay for loss or damage to:
 - a. Property that you accept for storage or for which you make a storage charge;
 - b. Property while it is in the custody of bailees or processors;
 - c. Accounts, bills, currency, evidences of debt, deeds, money, notes, securities, jewelry, or furs;
 - d. Self-propelled vehicles or their equipment or personal property in vehicles;
 - e. Aircraft or watercraft; or
 - f. Contraband, or property in the course of illegal transportation or trade.
3. The most we will pay for loss in any one "occurrence" is \$5,000. However we will pay no more than \$500 per customer.
4. Our payment for loss of or damage to personal property of your customers and guests will only be for the account of the owner of the property.
5. Other insurance covering loss or damage to property covered under this **Customers Property on Your Premises Coverage** will be considered excess to this Coverage.
6. No deductible applies to this Coverage.

This Additional Coverage only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

As a condition of this insurance, you are required to maintain an "Active Central Station Burglar Alarm". We will not pay for loss or damage to personal property of your customers and guests caused by or resulting from theft if you fail to maintain an "Active Central Station Burglar Alarm".

D. Personal Effects of Others Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, A.5. Coverage Extensions, b. Personal Effects And Property Of Others** is deleted and replaced with the following:

b. Personal Effects

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

The most we will pay for loss or damage under this Extension at each described premises is \$5,000. Our payment for loss of or damage to personal effects will only be for the account of the owner of the property.

This Coverage Extension only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

E. "Money" and "Securities" – Theft, Disappearance, or Destruction

1. We will pay, under this Additional Coverage, for loss or damage arising out of a Covered Cause of Loss to Covered Property.
2. Under this Additional Coverage, Covered Property is "money" and "securities" you use in your business as shown by your records. Lottery tickets held for sale are not considered "money" and securities".
3. Under this Additional Coverage, the Covered Causes of Loss are theft, disappearance or destruction; however, Covered Causes of Loss do not include the items listed under **Exclusions** in item 4. below.

4. Exclusions

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

- a. Accounting or arithmetical errors or omissions;
 - b. Dishonest or criminal act(s) committed by any of your "employees", directors, trustees, "members", or authorized representatives:
 - (1) Acting alone or in collusion with other persons; or
 - (2) While performing services for you or otherwise.
 - c. The giving or surrendering of property in any exchange or purchase;
 - d. Fire, however caused;
 - e. 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;
 - f. Acts of "Robbery" and/or "Safe Burglary".
5. The most we will pay for all loss caused by, or involving one or more persons, whether the result of a single act or series of acts for this Additional Coverage is \$5,000. The most we will pay for loss or damage, for the aggregate of all losses in any one policy term for this Additional Coverage is \$10,000.
 6. The following Additional Condition is added:

If you have reason to believe that any loss of, or loss from damage to, Covered Property involves a violation of law, you must notify the police, as soon as possible.

F. Robbery and Safe Burglary Coverage

1. We will pay for loss of, and loss from damage to, Covered Property resulting directly from the Covered Causes of Loss.
 - a. **Section 1. – Inside the Premises**
 - (1) Robbery Of A Custodian
 - (a) Covered Property: "Money" and "securities" inside the "premises" in the care and custody of a "custodian"
 - (b) Covered Causes of Loss: Actual or attempted "robbery"
 - (2) Safe Burglary
 - (a) Covered Property: "Money" and "securities" in a safe or vault within the "premises" or "banking premises"

(b) Covered Causes of Loss: Actual or attempted “safe burglary”

(c) Coverage Extension

We will pay for loss from damage to a locked safe or vault located inside the “premises” resulting directly from the Covered Causes of Loss if you are the owner of the property or are liable for damage to it.

As a condition of this insurance, you are required to maintain an “Active Central Station Burglar Alarm”. We will not pay for loss or damage caused by or resulting from actual or attempted “safe burglary” if you fail to maintain an “Active Central Station Burglar Alarm”.

b. Section 2. – Outside the Premises

(1) Covered Property: “Money” and “securities” outside the “premises” in the care and custody of the “messenger”

(2) Covered Causes of Loss: Actual or attempted “robbery”

(3) Coverage Extension

We will pay for loss or damage of Covered Property resulting directly from the Covered Causes of Loss while outside the “premises” in the care and custody of an armored motor vehicle company.

But we will pay only the amount of loss that 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.

c. The most we will pay for all loss caused by, or involving one or more persons, whether the result of a single act or series of acts for this Additional Coverage is \$5,000. The most we will pay for loss or damage, for the aggregate of all losses in any one policy term for this Additional Coverage is \$10,000.

2. Additional Exclusions, Condition and Definitions are subject to the following:

a. Additional Exclusions: We will not pay for loss as specified below:

(1) Acts of Employees, Directors, Trustees or Representatives: Loss resulting from any dishonest or criminal act committed by any of your “employees”, directors, trustees or authorized representatives:

(a) Acting alone or in collusion with other persons; or

(b) While performing services for you or otherwise.

(2) Fire: Loss resulting from fire, however caused, except loss:

(a) Of “money” or “securities”, or

(b) From damage to safe or vault from fire that is incidental to a Covered Cause of Loss.

(3) Transfer or Surrender of Property

(a) Loss of, or loss from damage to, property after it has been transferred or surrendered to a person or place outside the “premises” or “banking premises”:

(1) On the basis of unauthorized instructions; or

(2) As a result of a threat to do:

(a) Bodily harm to any person; or

(b) Damage to any property.

(b) But this exclusion does not apply under **Robbery and Safe Burglary Coverage, Section 2.** to loss of Covered Property while outside the “premises” or “banking premises” in the care and custody of a “messenger” if you:

(1) Had no knowledge of any threat at the time the conveyance began; or

(2) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

(4) Vandalism: Loss from damage to any property by vandalism or malicious mischief.

b. Additional Condition:

If you have reason to believe that any loss of, or loss from damage to, Covered Property involves a violation of law, you must notify the police, as soon as possible.

This Additional Coverage only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

G. Fine Arts Coverage

1. We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.
2. Under this Additional Coverage, Covered Property means:
 - a. Your "fine arts"; and
 - b. "Fine arts" of others that are in your care, custody or control.

3. Property Not Covered

Covered Property does not include:

- a. Property while on exhibition at fair grounds or on the premises of any national or international exposition; or
- b. Contraband, or property in the course of illegal transportation or trade.

4. Covered Causes of Loss

The following exclusions under **Causes of Loss – Special Form CP 10 30** do not apply to this Additional Coverage:

- a. **B.1.a. Ordinance Or Law;**
- b. **B.1.b. Earth Movement;**
- c. **B.1.e. Utility Services;**
- d. **B.1.g. Water;**
- e. **B.2.a. Artificially generated electrical current;**
- f. **B.2.c. Smoke, vapor or gas;**
- g. **B.2.d. Wear and Tear, etc.;**
- h. **B.2.e. Explosions of steam boilers;**
- i. **B.2.f. Continuous or repeated seepage;**
- j. **B.2.g. Leakage of Water, other liquids; or**
- k. **B.2.i. "Pollutants".**

5. The following sections of Causes of Loss – Special Form CP 10 30 do not apply to this Additional Coverage:

- a. **Section C. Limitations**
- b. **Section E. Additional Coverage Extensions.**

6. Additional Exclusions

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

- a. Breakage of art glass windows, statuary, glassware, bric-a-brac, marble, porcelain and similar fragile property.

But we will pay for loss or damage caused directly by fire, lightning, explosion, windstorm, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by accident to the vehicle carrying the property if these causes of loss would be covered under this Coverage Form.

- b. Any repairing, restoration or retouching of the Covered Property.

- c. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- d. Unauthorized instructions to transfer property to any person or to any place.

7. Limit of Insurance

The most we will pay in any one policy term for loss or damage under this Additional Coverage is \$5,000.

8. Valuation

The following Valuation provisions replace any other valuation provisions in this policy as respects only to property covered under **G. Fine Arts Coverage** above.

- a. If the item is newly acquired within 90 days of loss or damage, the value will be the fair market value.
- b. The value of all other Covered Property will be the lesser of the following:
 - (1) The cost of restoring the property to its condition immediately before the loss or damage;
 - (2) The cost of replacing the property with substantially identical property; or
 - (3) The fair market value.

9. Packing and Unpacking

You agree that Covered Property will be packed and unpacked by competent packers.

10. Pair Or Sets

As respects to loss or damage covered under **G. Fine Arts Coverage** above:

- a. In case of total loss or damage of any items that are part of a pair or set that is individually listed and described in the Declarations, we will pay the full Limit of Insurance shown in the Declarations for that pair or set. You will surrender to us the remaining items of the pair or set.
- b. In case of loss or damage to any part of a pair or set that is not individually listed and described in the Declarations, we may:
 - (1) Repair or replace any part to restore the pair or set to its value before the loss or damage; or
 - (2) Pay the difference between the value of the pair or set before and after the loss or damage.

As a condition of this insurance, you are required to maintain an "Active Central Station Burglar Alarm". We will not pay for loss or damage caused by or resulting from theft if you fail to maintain an "Active Central Station Burglar Alarm".

H. Employee Dishonesty

1. We will pay for direct loss of or damage to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a. Cause you to sustain loss or damage; and also
 - b. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for any employee or any other person or organization.
2. We will not pay for loss or damage:
 - a. Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or
 - b. If the only proof of which as to its existence or amount is an inventory computation or a profit and loss computation.
3. All loss or damage caused by one or more persons involving a single act or series of related acts is considered one "occurrence".
4. We will pay only for loss or damage you sustain through acts committed or events occurring during the Policy Period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.

5. This coverage does not apply to any employee immediately upon discovery by:
 - a. You; or
 - b. Any of your partners, officers or directors not in collusion with the employee;
of any dishonest act committed by that employee before or after being hired by you.
6. We will pay only for covered loss or damage discovered no later than one year from the end of the Policy Period.
7. The most we will pay for loss or damage in any one "occurrence" is \$2,500.

This Additional Coverage only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

I. Enhanced Fire Department Service Charge Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, A.4. Additional Coverages, c. Fire Department Service Charge**, is deleted and replaced with the following:

c. Fire Department Service Charge

- (1) We will pay the cost of:
 - (a) Fire Department Service Charges; and
 - (b) Foam solutions, dry chemicals, halon, or other fire extinguishing materials which have been lost, expanded, damaged or destroyed as a result of or arising out of a Covered Cause of Loss.
- (2) The most we will pay for this Enhanced Additional Coverage regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed is \$25,000, which includes a \$5,000 sublimit for any recharge of fire extinguisher(s).
- (3) No deductible applies to this Coverage.
- (4) Fire Department Service Charge is payable if required by local ordinance or agreed to prior to a loss. The Fire Department must have been called to save or protect covered property from damage by a Covered Cause of Loss for the Fire Department Service Charge to apply.

J. Pollutant Clean Up and Removal

Under your **Building and Personal Property Coverage Form CP 00 10, A.4. Additional Coverages, d. Pollution Clean Up and Removal**, the last paragraph is revised to reflect the language shown below:

The most we will pay under this Additional Coverage for each described premises is \$20,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

K. Increased Cost of Construction Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, A.4. Additional Coverages, e. Increased Cost of Construction**, Paragraph (6) is deleted and replaced by the following:

- (6) The most we will pay under this Additional Coverage for each described building insured under this Coverage form is \$15,000, or 5% of the Limit of Insurance applicable to that building, whichever is less.

This Additional Coverage only applies if:

1. A limit for Building is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage; or
2. Your use interest as tenant in improvements and betterments results in a loss under this Additional Coverage and a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

L. Valuable Papers and Records Cost of Research Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, A.5. Coverage Extensions, c. Valuable Papers and Records (Other Than Electronic Data)** is deleted and replaced with the following:

c. Valuable Papers and Records

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to research, replace or restore the lost information on lost or damaged valuable papers and records, including electronic data which exists on electronic or magnetic media, for which duplicates do not exist. Electronic data has the meaning described under Property Not Covered – 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) Under this Extension, the most we will pay to replace or restore the lost information at each described premises is \$10,000. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

This Coverage Extension only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

M. Enhanced Property Off Premises Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, A.5. Coverage Extensions, d. Property Off Premises** is deleted and replaced with the following:

d. Property Off Premises

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
 - (a) Temporarily at a location you do not own, lease or operate; or
 - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
 - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to 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 at each described premises is \$15,000.

This Coverage Extension only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

N. Outdoor Signs Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, C. Limits of Insurance**, coverage for outdoor signs is deleted and replaced with the following:

1. We will pay for loss or damage to outdoor signs:
 - a. Whether attached to a building or not; and
 - b. That are located within 100 feet of the insured premises;if the loss or damage is caused by or results from a Covered Cause of Loss.
2. The most we will pay for loss or damage for the aggregate of all losses in any one policy term for this Coverage Extension is \$10,000.

O. Increased Outdoor Property Coverage

Under your **Building and Personal Property Coverage Form CP 00 10, A.5. Coverage Extensions, e. Outdoor Property**, the last two sentences are deleted and replaced with the following:

The most we will pay for loss or damage under this Extension is \$25,000, but no more than \$1,000 for any one tree, shrub, or plant. These limits apply to any one “occurrence”, regardless of the types or number of items lost or damaged in that “occurrence”.

P. Increased Property In Transit Coverage

Under your **Causes of Loss Special Form CP 10 30, F. Additional Coverage Extensions, 1. Property in Transit**, Paragraph **c.** is deleted and replaced by the following:

- c.** The most we will pay for loss or damage under this Extension is \$10,000.

If theft is the cause of loss and the entire package is stolen from a secure locked compartment, that compartment must have visible signs of forced entry.

This Coverage Extension only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

Q. Spoilage Coverage

1. We will pay, under this Coverage Extension, for loss or damage arising out of a Covered Cause of Loss to Covered Property located at an insured premises.
2. Under this Coverage Extension, Covered Property means "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

With respect to the coverage provided by this Coverage Extension, property located on buildings or in the open or in vehicles is considered to be Property Not Covered.

3. Under this Coverage Extension, Covered Causes of Loss means the following:

- a.** Breakdown or Contamination, meaning:

- (1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and
- (2) Contamination by the refrigerant.

As a condition of Breakdown or Contamination being a Covered Cause of Loss, you must:

- (1) Maintain a refrigeration maintenance or service agreement. If you voluntarily terminate this agreement and do not notify us, the insurance provided by this endorsement will be automatically suspended at the involved location(s); or
- (2) Have a documented temperature maintenance program in effect that includes a daily temperature log for all units containing food and/or beverages subject to spoilage exposures. If you fail to maintain a documented temperature maintenance program or cannot produce the documentation at the time of loss, the insurance provided by this endorsement will be automatically suspended at the involved location(s).

- b.** Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control. However, if a Windstorm or Hail exclusion applies to the Premises and Building where the Spoilage loss occurs; there is no coverage for Power Outage caused by Windstorm or Hail.

4. Exclusions

- a.** Only the following Exclusions contained in Paragraph **B.1.** of the Causes of Loss Form applicable to this Coverage Part apply to Spoilage Coverage:

- (1) Earth Movement;
- (2) Governmental Action;
- (3) Nuclear Hazard;
- (4) War And Military Action; and
- (5) Water.

- b.** The following Exclusions are added:

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

- (1) The disconnection of any refrigerating, cooling or humidity control system from the source of power.

- (2) The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
 - (3) The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (a) Lack of fuel; or
 - (b) Governmental order.
 - (4) The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
 - (5) Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.
5. The most we will pay for loss or damage, for a single "occurrence" is \$2,500 and the aggregate of all losses in any one policy term for this Coverage Extension is \$5,000.

This Coverage Extension only applies if a limit for Business Personal Property is shown on the Commercial Property Coverage Part Declarations for the premises affiliated with the loss or damage.

II. COMMERCIAL PROPERTY CONDITIONS

Under the **Commercial Property Conditions CP 00 90** attached to this policy, Paragraph **G. Other Insurance** is deleted and replaced with the following, but only as respects to coverage under this endorsement:

G. Other Insurance

You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Enhancement Endorsement. If you do, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

III. ADDITIONAL CONDITION

With respect to coverages under this Coverage Enhancement Endorsement, the following conditions are added:

In the event of loss or damage, you will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

If Windstorm or Hail is excluded at a location, regardless of a deductible shown above, all loss or damage is excluded and there is no coverage for loss or damage caused by Windstorm or Hail.

IV. ADDITIONAL DEFINITIONS

The following definitions are added to the **Building and Personal Property Coverage Form CP 00 10** and the **Causes of Loss – Special Form CP 10 30**:

- A. "Active Central Station Burglar Alarm" means an automatic burglar alarm equipped with door, window and interior motion sensors protecting the entire building, that signals to an outside central station or a police station, and that is active and armed during all non-working hours and when the premises is unoccupied.
- B. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
- C. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises" excluding any person acting as a "watchperson" or janitor.
- D. "Electronic Data Processing Equipment" means data processing systems, component parts and related peripheral equipment including air conditioning and fire protection equipment used solely for data processing operations. But Electronic Data Processing Equipment does not include electronic systems that control production machinery, nor the production machinery itself.
- E. "Electronic Data Processing Media" means punch cards, tapes, discs, drums, cells or other magnetic recording or storage devices, including the information recorded on the media. It also includes the original source material used to enter data and/or programs.
- F. "Employee":
 - 1. "Employee" means:

- a. Any natural person:
 - (1) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to “theft” or any other dishonest act committed by the “employee”;
 - (2) Who you compensate directly by salary, wages or commissions; and
 - (3) Who you have the right to direct and control while performing services for you;
- b. Any natural person who is furnished temporarily to you:
 - (1) To substitute for a permanent “employee” as defined in Paragraph a.(1), who is on leave; or
 - (2) To meet seasonal or short-term work load conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the “premises”;
- c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);
- d. Any natural person who is:
 - (1) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any “employee benefit plan”; and
 - (2) A director or trustee of yours while that person is engaged in handling “funds” or “other property” of any “employee benefit plan”;
- e. Any natural person who is a former “employee”, partner, “member”, “manager”, director or trustee retained as a consultant while performing services for you;
- f. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the “premises”;
- g. Any “employee” of an entity merged or consolidated with you prior to the effective date of this insurance; or
- h. Any of your “managers”, directors or trustees while:
 - (1) Performing acts within the scope of the usual duties of an “employee”; or
 - (2) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.
- 2. “Employee” does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph a.
- G. “Fine Arts” means paintings, etchings, pictures, tapestries, statuary, marbles, bronzes, antique furniture, rare books, antique silver, porcelains, rare glassware, bric-a-brac or other articles of art, rarity or antiquity.
- H. “Member” means an owner of a limited liability company represented by its membership interest, who also may serve as a “manager”.
- I. “Messenger” means you, or a relative of yours, or any of your partners or “members”, or any “employee” while having care and custody of property outside the “premises”.
- J. “Perishable stock” means personal property:
 - 1. Maintained under controlled conditions for its preservation; and
 - 2. Susceptible to loss or damage if the controlled conditions change.
- K. “Money” means:
 - 1. Currency, coins and bank notes in current use and having face value; and
 - 2. Travelers Checks, register checks and money orders held for sale to the public.
- L. “Occurrence” means all loss, damage or sequence of loss or damage, casualties or disasters arising from a single happening or event.

- M.** "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or 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.
- "Securities" does not include "money".
- N.** "Premises" means the interior of that portion of the building or structure which you occupy in conducting your business that is described in this policy.
- O.** "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
1. Caused or threatened to cause that person bodily harm; or
 2. Committed an obviously unlawful act witnessed by that person.
- P.** "Safe burglary" means the taking of:
1. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 2. A safe or vault from inside the "premises".
- Q.** "Safe" means a metal container whose sole function is to be used as a safe; that has been manufactured as, labeled as, and sold as a safe. The safe must also include a locking mechanism, such as a pass code, combination, or key lock. It must also be UL listed and contain the UL classification on the safe.
- R.** "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packaging or shipping.
- S.** "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

V. DEDUCTIBLE

With respect to each Coverage Enhancement, Coverage Extension or Additional Coverage in this endorsement, regardless of the perils insured against, \$500 shall be deducted from the amount of such loss in any one "occurrence" unless otherwise indicated in the schedule.

One or more of the deductible amounts may be changed by specific endorsement. In no event shall more than one deductible be applied to all losses resulting from one "occurrence"; but that deductible shall be equal to the highest deductible which otherwise applies.

All other terms and conditions of this policy remain unchanged.

This endorsement modifies insurance provided under the following:

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 loss or damage;
 - b. The personal property at each building at which there is loss or damage to personal property;
 - c. Personal property in the open.

If there is damage to both a building and personal property in that building, separate deductibles apply to the building and to the personal property.

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition, Agreed Value Optional Coverage; any provision in a Value Reporting Form relating to full reporting or failure to submit reports.
3. When property is covered under the Coverage Extension for Newly Acquired or Constructed Property: In determining the amount, if any, that we will pay for 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 Schedule for any described premises.

B. Calculation of the Deductible

1. Property Subject to Flat Dollar Deductible

In determining the amount, if any, that we will pay for loss or damage, we will deduct the Flat Dollar amount (as shown in the Schedule above) from the adjusted amount of loss applicable to the property that has sustained loss or damage.

2. Property with Percentage Deductible

In determining the amount, if any, that we pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4%, 5% or 10% (as shown in the Schedule above) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage.

3. Property with Percentage subject to Minimum Dollar Deductible

In determining the amount, if any, that we pay for loss or damage, we will deduct an amount equal to 1%, 2%, 3%, 4%, 5% or 10% of the Limit(s) of Insurance subject to the Minimum Dollar Amount (as shown in the Schedule above) applicable to the property that has sustained loss or damage.

This Endorsement Changes The Policy. Please Read It Carefully.

TOTAL OR CONSTRUCTIVE TOTAL LOSS CLAUSE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

It is hereby understood and agreed that in the event of a Total or Constructive Total Loss of any item of property insured during the policy period specified in the Schedule and the loss is paid by us, then the total premium for that property shall be considered to be fully earned and no return premium shall be due the named insured.

This Endorsement shall not apply where State Law or any Premium Finance Agreement would be violated or infringed.

Constructive Total Loss shall be defined as "loss where the cost of recovery and repair would exceed the Limit of Liability shown in the Schedule or the actual cash value (whichever is the lesser amount)".

This Endorsement Changes The Policy. Please Read It Carefully.

EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS – SPECIAL FORM
CAUSES OF LOSS – BROAD FORM
CAUSES OF LOSS – BASIC FORM**

SCHEDULE

Prem. No.	Location	Premium
1	4214 11TH STREET COURT EAST, ELLENTON, FL 34222	\$229
Total Premium		\$229.00

With respect to the Location(s) indicated in the Schedule above, the following provisions apply. If there are no locations listed in the Schedule above, these provisions apply to all locations covered by this policy.

Equipment Breakdown Coverage does not increase the applicable Limit of Insurance and is subject to the limits shown on the Commercial Property Coverage Part Declarations, except as shown elsewhere in this endorsement.

The Deductible shown in the Declarations applies.

A. Section A. Coverage, paragraph 4. Additional Coverage of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is amended to add the following:

Equipment Breakdown

1. We will pay for direct physical damage to Covered Property that is a direct result of an "accident". The event must be one of the following:
 - a. Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. Artificially generated electric current, including electric arcing that disturbs electrical devices, appliances or wires; or
 - c. Loss or damage to water heating equipment, including any pipes attached thereto, caused by or resulting from any condition or event inside the equipment.
2. The following coverages also apply to the direct result of an "accident". These coverages do not provide additional amounts of insurance.
 - a. Expediting Expense

With respect to your damaged Covered Property, we will pay, up to \$25,000, the reasonable extra cost to:

- (1) Make temporary repairs; and
- (2) Expedite permanent repairs or permanent replacement.

b. Hazardous Substance

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

This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in 2.c.(2) below. As used in this section, additional cost means those beyond what would have been payable had no "hazardous substance" been involved.

The most we will pay for loss or damage under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered on the Commercial Property Coverage Part Declarations, and loss under Spoilage coverage, is \$25,000.

c. Spoilage

- (1) We will pay for physical damage to "perishable goods" due to spoilage.
- (2) We will also pay for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.
- (3) We will also pay any necessary expenses you incur to reduce the amount of loss under this coverage. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (4) If you are unable to replace the "perishable goods" before their anticipated sale, the amount of our payment will be determined on the basis of the sale price of the "perishable goods" at the time of the accident, less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation Loss Condition.

This coverage applies only when this endorsement is attached to the Building and Personal Property Coverage Form.

The most we will pay for loss or damage under this coverage is \$25,000.

d. Computer Equipment

We will pay for loss or damage caused by or resulting from an accident to "computer equipment".

The most we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered on the Commercial Property Coverage Part Declarations, is \$25,000. Computers used primarily to control or operate "covered equipment" are not subject to this limit.

e. Data Restoration

We will pay for your reasonable and necessary cost to research, replace and restore data, including programs and operating systems that are lost or corrupted due to an accident. The most we will pay for loss or damage under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, is \$25,000.

f. Service Interruption

- (1) If any insurance is provided for Business Income, Extra Expense and Spoilage, coverage is extended to apply to loss, damage or expense caused by or resulting from an "accident" to equipment that is owned by a utility, landlord, or other supplier with whom you have a contract to provide you with any of the following services: electrical power, communications, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.
- (2) Service Interruption coverage will not apply unless the failure or disruption of service exceeds seventy-two (72) hours immediately following the "accident".
- (3) The most we will pay for loss, damage or expense under this coverage is \$25,000.

g. Business Income and Extra Expense

Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. The most we will pay for loss of Business Income you sustain or necessary Extra Expense you incur is \$25,000.

B. Subsection 2. Exclusions in the CAUSES OF LOSS forms apply except as modified below and to the extent that coverage is specifically provided by this Additional Coverage Equipment Breakdown.

1. The exclusions are modified as follows:

- a.** If the Causes of Loss-Basic Form or Causes of Loss-Broad Form applies, the following is added to Exclusion B.2.: Depletion, deterioration, corrosion, erosion, wear and tear or other gradually developing conditions. But if an "accident" results, we will pay for the resulting loss, damage or expense.
- b.** The following is added to Exclusion B.1.g.: However, if electrical "covered equipment" requires drying out because of water as described in g.(1) through g.(3) above, we will pay for the direct expense of such drying out subject to the applicable Limit Of Insurance and Deductible, whichever applies.
- c.** If the Causes of Loss-Special Form applies, as respects this endorsement only, the last paragraph of Exclusion B.2.d. is deleted and replaced by the following: But if an excluded cause of loss that is listed in 2.d.(1) through (7) results in an "accident", we will pay for the loss, damage or expense caused by that "accident".

2. We will not pay under this endorsement for loss, damage or expense caused by or resulting from:

- a.** Any defect, programming error, programming limitation, computer virus, malicious code, loss of "data", loss of access, loss of use, loss of functionality or other condition within or involving "data" or "media" of any kind. But if an "accident" results, we will pay for the resulting loss, damage or expense; or
 - b.** Any of the following tests: a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.
- 3.** With respect to Service Interruption coverage, we will also not pay for an "accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically stated in A.1.c. of this endorsement); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.
- 4.** With respect to Business Income, Extra Expense and Service Interruption coverages, we will also not pay for any increase in loss resulting from an agreement between you and your customer or supplier.
- 5.** We will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "accident": Any mold, fungus, mildew or yeast, including spores or toxins produced by or emanating from such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is "perishable goods", to the extent that spoilage is covered under Spoilage coverage.
- 6.** We will not pay under this endorsement for any loss or damage to animals.

C. Additional Conditions of the BUILDING AND PERSONAL PROPERTY COVERAGE FORM is amended to add the following:

1. Suspension

When any "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "covered equipment". We can do this by mailing or delivering a written notice of suspension to your last known address, or to the address where the equipment is located. Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment". If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

2. Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident", we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced. However, we will not pay more than one hundred twenty-five percent (125%) of what the cost

would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

3. Coinsurance

If a coinsurance percentage is indicated in the Commercial Property Coverage Part Declarations Schedule, specified coverages may be subject to coinsurance. We will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable Deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

4. With respect to this endorsement, the following definitions apply:

- a.** "Accident" means a fortuitous event that causes direct physical damage to "covered equipment".
- b.** "Boilers and Vessels" means:
 - (1)** Any boiler, including attached steam, condensate and feedwater piping; and
 - (2)** Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.
- c.** "Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including "media" and peripherals used in conjunction with such equipment.
- d.** "Covered equipment" means Covered Property:
 - (1)** that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or
 - (2)** which, during normal usage, operates under vacuum or pressure, other than weight of its own contents.

None of the following is "covered equipment":

 - (a)** structure, foundation, cabinet, compartment or air supported structure or building;
 - (b)** insulating or refractory material;
 - (c)** sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
 - (d)** water piping other than water piping forming a part of a refrigerating or air conditioning system;
 - (e)** "vehicle" or any equipment mounted on a "vehicle";
 - (f)** satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (g)** dragline, excavation or construction equipment;
 - (h)** equipment manufactured by you for sale; or
 - (i)** any equipment, including but not limited to "boilers and vessels", subject to Jurisdictional inspections, including the cost of Jurisdictional inspections.
- e.** "Data" means information or instructions stored in digital code capable of being processed by machinery.
- f.** "Hazardous substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
- g.** "Media" means material on which "data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
- h.** "One accident" means: If an initial "accident" causes other "accidents", all will be considered "One accident". All "accidents" that are the result of the same event will be considered "One accident".
- i.** "Perishable goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

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- j. "Production Machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. However, "Production Machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

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

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

This Endorsement Changes The Policy. Please Read It Carefully.

WARRANTY ENDORSEMENT - COMMERCIAL COOKING

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

This endorsement applies to any covered property with a "commercial cooking" exposure. "Commercial Cooking" includes open flame gas range cooking equipment, grilling equipment and frying equipment designed for commercial use. It also includes any cooking equipment that requires special protection to be in compliance with the local ordinance or code applicable to the Insured's premises.

A. The following is added to the COMMERCIAL PROPERTY CONDITIONS:

PROTECTIVE SAFEGUARDS

As a condition of this insurance, you are required to maintain the protective devices or services listed below:

1. Automatic Extinguishing System over all cooking equipment that is both operational and maintained semi-annually by an independent third-party contractor under a professional cleaning contract.
2. The hoods and vents used in conjunction with the cooking equipment must be cleaned semi-annually by an independent third-party contractor under a professional cleaning contract.
3. Fire extinguishers that have been inspected and tagged within the last 12 months by a licensed contractor and are in compliance with local codes and ordinances.

All maintenance, inspection and cleaning work performed by a third-party contractor as specified above must be documented and records must be maintained to be provided to the Insurer upon request.

B. The following is added to the EXCLUSIONS section of:

CAUSES OF LOSS – BASIC FORM

CAUSES OF LOSS – BROAD FORM

CAUSES OF LOSS – SPECIAL FORM

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you:

1. Knew of any suspension or impairment in any protective safeguard listed above and failed to notify us of that fact; or
2. Failed to maintain any protective safeguard listed above, and over which you had control, in complete working order.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

CONSTRUCTION TYPE DEFINITIONS

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

When used in this policy, Construction Types shall be defined as follows:

1. **Frame** is defined as buildings where the exterior walls are wood or other combustible materials including construction where combustible materials are combined with other materials such as brick veneer, stone veneer, wood iron-clad, stucco on wood.
2. **Joisted Masonry** is defined as buildings where the exterior walls are constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials and where the floors and roof are combustible.
3. **Non-Combustible** is defined as buildings where the exterior walls and the floors and roof are constructed of, and supported by metal, asbestos, gypsum or other non-combustible materials.
4. **Masonry Non-Combustible** is defined as buildings where the exterior walls are constructed of masonry materials such as adobe, brick, concrete, gypsum block, hollow concrete block, stone, tile or similar materials, with the floors and roof of metal or other non-combustible materials.
5. **Modified Fire Resistive** is defined as buildings where the exterior walls and the floors and roof are constructed of masonry or fire resistive material with a fire resistance rating of one hour or more but less than two hours.
6. **Fire Resistive** is defined as buildings where the exterior walls and the floors and roof are constructed of masonry or fire resistive materials having a fire resistance rating of not less than two hours.

Any building which consists of more than one of the above construction types must be specifically identified to us in the application for insurance and reflected in the Property Declarations as the construction type with the lowest number above unless otherwise authorized by us.

This Endorsement Changes The Policy. Please Read It Carefully.

CONDITIONAL EXTENSION – BUILDING

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

If covered property is a Condominium Association, paragraph **A. Coverage, 1. Covered Property, a. Building** is deleted and replaced with the following:

- a. Building**, meaning the building or structure described in the Declarations, including:
- (1) Completed additions;
 - (2) Fixtures, outside of individual units, including outdoor fixtures;
 - (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
 - (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units;
 - (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies, and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure; and
 - (6) Any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires you to insure it:
 - (a) Fixtures, improvements and alterations that are a part of the building or structure; and
 - (b) Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

But Building does not include personal property owned by, used by or in the care, custody or control of a unit-owner except for personal property listed in Paragraph **a.(6)** above.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

CONDITIONAL EXTENSION – BUSINESS PERSONAL PROPERTY

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

If covered property is a Condominium unit owned by you, the following is added to paragraph **A. Coverage, 1. Covered Property, b. Your Business Personal Property**:

(8) Fixtures, improvements, and alterations making up part of the building and owned by you.

If you are not a tenant of the covered property and a limit appears in the Commercial Property Coverage Part Declarations for Tenant's Improvements and Betterments, that limit will apply to fixtures, improvements, and alterations making up part of the building and owned by you.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

ADDITIONAL COVERED PROPERTY – FENCES

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

SCHEDULE

Prem. No.	Bldg. No.	Location
1	1	4214 11TH STREET COURT EAST, ELLENTON, FL 34222

With respect to the Location(s) indicated in the Schedule above, the following provisions apply. If there are no locations listed in the Schedule above, these provisions apply to all locations covered by this policy.

The following changes are made:

1. **A. Coverage, 1. Covered Property** is amended to add the following:
 - d. Fences, free-standing walls and gates, subject to the applicable Limit of Insurance shown in the Declarations for Fences, Walls and Gates.
2. **A. Coverage, 2. Property Not Covered, q., (2)** is amended to read as follows:
 - (2) Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), all except as provided in the Coverage Extensions.
3. **A. Coverage, 5. Coverage Extensions, e. Outdoor Property** is amended to read as follows:
 - e. **Outdoor Property**
 You may extend the insurance provided by this Coverage Form to apply to your outdoor radio and television antennas (including satellite dishes), trees, shrubs and plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:
 - (1) Fire;
 - (2) Lightning;
 - (3) Explosion;
 - (4) Riot or Civil Commotion; or
 - (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

This Endorsement Changes The Policy. Please Read It Carefully.

APPRAISAL CLAUSE AMENDMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

This endorsement replaces any and all other provisions regarding appraisal.

If we and you disagree on the value of the property or the amount of loss, either party may request, in writing, an appraisal of the value of the property and/or the amount of loss. An appraisal may then take place only if the other party agrees in writing to participate in the appraisal process pursuant to terms of a written agreement between the parties. At a minimum, the written agreement between the parties will specify a protocol for the selection of a disinterested, competent, and impartial appraiser (who does not have a financial interest in the claim and/or appraisal award, including a contingent interest in the outcome of the claim or appraisal award), the inspection of the property by the appraisers, the selection of an umpire, communications between and among the appraisers and umpire, specific itemization of each item in dispute, and an award form. If the parties cannot agree on a written agreement specifying the protocol, an appraisal will not take place.

If appraisal moves forward, the two appraisers will select an umpire, who is disinterested, competent, and impartial. If the two appraisers cannot agree to an umpire within 15 days of either appraiser proposing one or more umpires, the two appraisers may jointly request that the selection of a competent and impartial umpire be made by a judge of a court in the county of the loss or damage. If either party to the appraisal, without notice to the other party, asks a judge to select an umpire, any such umpire selection shall be invalidated and the selection of a new umpire shall be required. If the appraisers do not agree to jointly request the appointment of an umpire, either the insurer or insured can unilaterally end the appraisal with written notice to the other. The appraisers will state separately the value of the property and amount of loss. Specific itemization of each item and amount in dispute is required, including, but not limited to, building-by-building, floor-by-floor, unit-by-unit, and area-by-area allocation. If the appraisers 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 the umpire's fee equally.

In connection with the appraisal proceeding, neither the appraisers nor the umpire shall have authority to decide questions of law. Neither the appraisers nor the umpire shall attempt to resolve any issue of insurance coverage, policy exclusions, compliance with the policy terms and conditions, or any issues concerning the Limits of Insurance available under the Policy.

At any time after the request for appraisal, we will retain our right to demand compliance with all applicable Duties in the Event of Loss as described in this Policy. We may require completion of any of the Duties in the Event of Loss, or any other policy condition, prior to continuance of the appraisal proceeding.

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

Where applicable, the parties agree that during the pendency of an appraisal all required responses and cures to any Civil Remedy Notices are extended until 30 days after the appraisal is concluded.

By voluntarily agreeing to the appraisal process, both parties acknowledge that there are irreconcilable differences that exist regarding the value of the property and/or the amount of loss. Since appraisal is voluntary, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us.

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:

- a.** We have reached agreement with you on the amount of loss; or
- b.** An appraisal award has been made.

Policy No.: VBB137849

This Endorsement Changes The Policy. Please Read It Carefully.

WINDSTORM OR HAIL EXCLUSION – SPECIFIED OUTDOOR PROPERTY

This endorsement modifies insurance provided under the following:

**CAUSES OF LOSS – BASIC FORM
CAUSES OF LOSS – BROAD FORM
CAUSES OF LOSS – SPECIAL FORM**

SCHEDULE

Prem. No.	Location
1	4214 11TH STREET COURT EAST, ELLENTON, FL 34222

With respect to the Location(s) indicated in the Schedule above, the following provisions apply to all covered property at the premises. If there are no locations listed in the Schedule above, these provisions apply to all locations covered by this policy.

A. The exclusion contained in this endorsement applies only to the following types of property:

1. Awnings;
2. Fences;
3. Canopies;
4. Radio and Television antennas (including satellite dishes);
5. Signs;
6. Gasoline Pumps and related Machinery and Equipment;
7. and Business Personal Property in the open or outdoors.

B. The following is added to the EXCLUSIONS section and is therefore **not** a Covered Cause of Loss:

WINDSTORM OR HAIL

We will not pay for loss or damage:

1. Caused directly or indirectly by Windstorm or Hail, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage; or
2. Caused by rain, snow, sand or dust, whether driven by wind or not, if that loss or damage would not have occurred but for the Windstorm or Hail.

But if Windstorm or Hail results in a cause of loss other than rain, snow, sand or dust, and that resulting cause of loss is a Covered Cause of Loss, we will pay for the loss or damage caused by such Covered Cause of Loss. For example, if the Windstorm or Hail damages a heating system and fire results, the loss or damage attributable to the fire is covered subject to any other applicable policy provisions.

- C.** Under ADDITIONAL COVERAGE – COLLAPSE, in the Causes of Loss – Broad Form, Windstorm or Hail is deleted from paragraph **a.(1)**.
- D.** In the Causes of Loss – Special Form, Windstorm or Hail is deleted from the “specified causes of loss”.
- E.** Under ADDITIONAL COVERAGE EXTENSIONS – PROPERTY IN TRANSIT, in the Causes of Loss – Special Form, Windstorm or Hail is deleted from paragraph **b.(1)**.
- F.** This endorsement supersedes any Windstorm or Hail Deductible attached to this policy.
- G.** The terms of this Windstorm or Hail Exclusion, or the inapplicability of this exclusion to a particular loss, does not serve to create coverage for any loss that would otherwise be excluded under this policy.

This Endorsement Changes The Policy. Please Read It Carefully.

WINDSTORM OR HAIL EXCLUSION

This endorsement modifies insurance provided under the following:

CAUSES OF LOSS – BASIC FORM
CAUSES OF LOSS – BROAD FORM
CAUSES OF LOSS – SPECIAL FORM

SCHEDULE*

[illegible]

With respect to the location(s) indicated in the Schedule, the following provisions apply.

-
- A. The following is added to the **Exclusions** section and is therefore **not** a Covered Cause of Loss:

WINDSTORM OR HAIL

We will not pay for loss or damage:

1. Caused directly or indirectly by Windstorm or Hail, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage; or
2. Caused by rain, snow, sand or dust, whether driven by wind or not, if that loss or damage would not have occurred but for the Windstorm or Hail.

But if Windstorm or Hail results in a cause of loss other than rain, snow, sand or dust, and that resulting cause of loss is a Covered Cause of Loss, we will pay for the loss or damage caused by such Covered Cause of Loss. For example, if the Windstorm or Hail damages a heating system and fire results, the loss or damage attributable to the fire is covered subject to any other applicable policy provisions.

- B. The terms of the Windstorm Or Hail exclusion, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this policy.
- C. Under **Additional Coverage – Collapse**, in the Causes Of Loss – Broad Form, Windstorm or Hail is deleted from Paragraph 2.a.
- D. In the Causes Of Loss – Special Form, Windstorm or Hail is deleted from the "specified causes of loss".
- E. Under **Additional Coverage Extensions – Property In Transit**, in the Causes Of Loss – Special Form, Windstorm or Hail is deleted from Paragraph b.(1).

This Endorsement Changes The Policy. Please Read It Carefully.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING (ACV)

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Prem. No.	Bldg. No.	Location
1	1	4214 11TH STREET COURT EAST, ELLENTON, FL 34222
1	2	4214 11TH STREET COURT EAST, ELLENTON, FL 34222

With respect to the Location(s) indicated in the Schedule above, the following provisions apply. If there are no locations listed in the Schedule above, these provisions apply to all locations covered by this policy.

- A.** The following applies with respect to loss or damage by a **Covered Cause of Loss (including Windstorm and/or Hail if covered)** to a building or structure identified in the Schedule above.

Replacement Cost coverage (if otherwise applicable to such property) does not apply to "roof surfacing" unless you can provide documentation which proves that the "roof surfacing" was installed no more than 15 years prior to the time of loss. This documentation must be provided by you to the Company at the time of loss.

Instead, we will determine the value of "roof surfacing" at actual cash value as of the time of loss or damage.

- B.** With regard to any roof that is valued at actual cash value, the Additional Coverage, A.4.e. Increased Cost of Construction will not apply, regardless of anything to the contrary elsewhere in this policy.
- C.** For the purpose of this endorsement, "roof surfacing" refers to shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all material used in securing the roof surface and all materials applied to or under the roof surface for moisture protection or insulation, as well as roof flashing and any covering located on top of a parapet wall.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION OF PATHOGENIC OR POISONOUS BIOLOGICAL OR CHEMICAL MATERIALS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

The following exclusion is added:

We will not pay for loss or damage caused directly or indirectly by the discharge, dispersal, seepage, migration, release, escape or application of any pathogenic or poisonous biological or chemical materials. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

However, if both A. and B. below apply, we will pay for such loss or damage subject to the terms of Paragraph A. Coverage, 4. Additional Coverages, d. Pollutant Clean-up and Removal in the attached coverage form:

- A. The pathogenic or poisonous biological or chemical materials are normally kept at or brought onto your premises, with your consent, for use in your business operations at your premises; and
- B. The discharge, dispersal, seepage, migration, release, escape or application of the pathogenic or poisonous biological or chemical materials is accidental and is not the result of a willful or malicious act against any persons, organizations, or property of any nature.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – COSMETIC DAMAGE – LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Prem. No.	Bldg. No.	Location
1	1	4214 11TH STREET COURT EAST, ELLENTON, FL 34222

With respect to the Location(s) indicated in the Schedule above, the following exclusion applies. If there are no locations listed in the Schedule above, this exclusion applies to all locations covered by this policy.

A. We will not pay for the “cosmetic damage” to “roof surfacing” caused by **Windstorm and/or Hail**.

B. For the purpose of this endorsement, the following definitions apply:

1. “Cosmetic damage” means marring, pitting or other superficial damage that alters 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 damage occurred.
2. “Roof surfacing” refers to shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all material used in securing the roof surface and all materials applied to or under the roof surface for moisture protection or insulation, as well as roof flashing and any covering located on top of a parapet wall.

This Endorsement Changes The Policy. Please Read It Carefully.

CYBER, ELECTRONIC DATA AND SYSTEMS EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

- A. Item (3)(d) of the ADDITIONAL COVERAGE, A.4.f. Electronic Data is deleted from the BUILDING AND PERSONAL PROPERTY COVERAGE FORM.
- B. The following EXCLUSION is added to Item B.1. of the CAUSES OF LOSS form:

We will not pay for any loss, damage, destruction, distortion, erasure, corruption or alteration of a **COMPUTER SYSTEM** or **ELECTRONIC DATA** caused by or resulting from **COMPUTER VIRUS** or any loss of access, any loss of use, reduction in functionality, cost, expense of any kind or of any nature whatsoever resulting therefrom. Further, we will not insure any loss or damage that directly or indirectly results from loss, damage, destruction, distortion, erasure, corruption or alteration of **ELECTRONIC DATA** caused by or resulting from **COMPUTER VIRUS**.

Such loss or damage as described herein is excluded regardless of any other cause or event contributing concurrently or in any other sequence to the loss or damage.

This exclusion applies regardless of whether the loss or damage arises out of or results from authorized, unauthorized, intentional, unintentional or accidental access in, of, or to any computer, communication system, file server, network(s), networking equipment, computer system, computer hardware, computer software, data processing equipment, computer memory, microchip, microprocessor, integrated circuit or similar device.

However, in the event that a peril insured by this Policy results from any of the matters described herein, this Policy, subject to all its terms, conditions and exclusions, will cover physical damage to insured property that was directly caused by such peril insured by this Policy and occurring within the Policy Period.

- C. The following DEFINITIONS are added to the CAUSES OF LOSS form:

COMPUTER SYSTEM means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

ELECTRONIC DATA means facts, concepts and information recorded, transmitted or converted to a form useable for communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment. This includes any biometric information, including but not limited to retina or iris scans, fingerprints, voiceprints, DNA, scans of hand or face geometry or any other biometric algorithm or measurement which allows any individual to be identified. **ELECTRONIC DATA** also includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment. This includes any item reliant on Blockchain technology, including but not limited to cryptocurrencies or Non-Fungible Tokens.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including, but not limited to any set of maliciously, intentionally, unintentionally or accidentally introduced instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature located anywhere in the world. **COMPUTER VIRUS** includes, but is not limited to 'Trojan Horses', 'worms' and 'time or logic bombs'.

This Endorsement Changes The Policy. Please Read It Carefully.

EXCLUSION – PRE-EXISTING DAMAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

We will not pay for any loss or damage which occurred, existed, or commenced prior to the inception date of this Policy, whether such loss or damage was known or unknown to any Insured or party seeking recovery under this Policy. This insurance also does not apply to the following loss or damage which is likewise excluded from coverage:

- (a) Pre-existing damage which occurred, existed, or commenced, in whole or in part, prior to the inception date of this Policy;
- (b) Loss or damage which occurs during this Policy period, but was caused directly or indirectly by pre-existing damage which pre-dated this Policy;
- (c) Loss or damage resulting from pre-existing damage which occurred, existed, or commenced prior to the inception date of this Policy; or
- (d) Loss or damage which is, or is alleged to be, in the process of occurring as of the inception date of this Policy, even if the "occurrence" continues during this Policy period.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Property damage which occurred, existed, or commenced prior to the effective date of this Policy will be deemed to have happened prior to, and not during, the term of this insurance.

All other terms and conditions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. When this endorsement is attached to Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.

B. The following provision applies when a Coinsurance percentage is shown in the Declarations:

Florida law states as follows:

Coinurance contract: The rate charged in this policy is based upon the use of the coinsurance clause attached to this policy, with the consent of the Insured.

C. The following is added:

If windstorm is a Covered Cause of Loss and loss or damage to Covered Property is caused by or results from windstorm, the following exclusion applies in:

1. Broward County;
2. Dade County;
3. Martin County;
4. Monroe County;
5. Palm Beach County; and
6. All the areas east of the west bank of the Intracoastal Waterway in the counties of:
 - a. Indian River; and
 - b. St. Lucie.

Windstorm Exterior Paint And Waterproofing Exclusion

We will not pay for loss or damage caused by windstorm to:

1. Paint; or
2. Waterproofing material;

applied to the exterior of buildings unless the building to which such loss or damage occurs also sustains other loss or damage by windstorm in the course of the same storm event. But such coverage applies only if windstorm is a Covered Cause of Loss.

When loss or damage to exterior paint or waterproofing material is excluded, we will not include the value of paint or waterproofing material to determine:

- a. The amount of the Windstorm or Hail Deductible; or
- b. The value of Covered Property when applying the Coinsurance Condition.

D. The **Loss Payment** Condition dealing with the number of days within which we must pay for covered loss or damage is replaced by the following:

Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage upon the earliest of the following:

- (1) Within 20 days after we receive the sworn proof of loss and reach written agreement with you;
- (2) Within 30 days after we receive the sworn proof of loss and:
 - (a) There is an entry of a final judgment; or
 - (b) There is a filing of an appraisal award with us; or
- (3) Within 60 days of receiving notice of an initial, reopened or supplemental claim, unless we deny the claim during that time or factors beyond our control prevent such payment. If a portion of the claim is denied, then the 60-day time period for payment of claim relates to the portion of the claim that is not denied.

Paragraph (3) applies only to the following:

- (a) A claim under a policy covering residential property;

- (b) A claim for building or contents coverage if the insured structure is 10,000 square feet or less and the policy covers only locations in Florida; or
- (c) A claim for contents coverage under a tenant's policy if the rented premises are 10,000 square feet or less and the policy covers only locations in Florida.

E. Sinkhole Collapse Coverage Removed

Sinkhole Collapse coverage is removed, as indicated in Paragraphs **E.1.** through **E.4.**; and coverage for Catastrophic Ground Cover Collapse is added instead as set forth in Paragraph **F.**

1. In the Causes Of Loss – Basic Form and in the Standard Property Policy, Sinkhole Collapse is deleted from the Covered Causes of Loss and sinkhole collapse is no longer an exception to the Earth Movement Exclusion.
2. In the Causes Of Loss – Broad Form, Sinkhole Collapse is deleted from the Covered Causes of Loss and from the Additional Coverage – Collapse; and sinkhole collapse is no longer an exception to the Earth Movement Exclusion.
3. In the Causes Of Loss – Special Form, Sinkhole Collapse is deleted from the "specified causes of loss" and is no longer an exception to the Earth Movement Exclusion.
4. In the Mortgageholders Errors And Omissions Coverage Form, Sinkhole Collapse is deleted from the Covered Causes of Loss under Coverage **B** and from the "specified causes of loss", and is no longer an exception to the Earth Movement Exclusion.

Further, this Coverage Part does not insure against Sinkhole Loss as defined in Florida law unless an endorsement for Sinkhole Loss is made part of this policy. However, if Sinkhole Loss causes Catastrophic Ground Cover Collapse, coverage is provided for the resulting Catastrophic Ground Cover Collapse even if an endorsement for Sinkhole Loss is not made part of this policy.

- F.** The following is added to this Coverage Part as a Covered Cause of Loss. In the Causes Of Loss – Special Form and Mortgageholders Errors And Omissions Coverage Form, the following is also added as a "specified cause of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

Catastrophic Ground Cover Collapse

We will pay for direct physical loss or damage to Covered Property caused by or resulting from catastrophic ground cover collapse, meaning geological activity that results in all of the following:

1. The abrupt collapse of the ground cover;
2. A depression in the ground cover clearly visible to the naked eye;
3. "Structural damage" to the building, including the foundation; and
4. The insured structure being condemned and ordered to be vacated by the governmental agency authorized by law to issue such an order for that structure.

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

The **Earth Movement** Exclusion and the **Collapse** Exclusion do not apply to coverage for Catastrophic Ground Cover Collapse.

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

- G.** The following applies to the **Additional Coverage – Civil Authority** under the Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form and Extra Expense Coverage Form:

1. The Additional Coverage – Civil Authority includes a requirement that the described premises are not more than one mile from the damaged property. With respect to described premises located in Florida, such one-mile radius does not apply.
2. The Additional Coverage – Civil Authority is limited to a coverage period of up to four weeks. With respect to described premises located in Florida, such four-week period is replaced by a three-week period.
3. Civil Authority coverage is subject to all other provisions of that Additional Coverage.

H. The following provisions are added to the Duties In The Event Of Loss Or Damage Loss Condition:

- (1) A claim or reopened claim for loss or damage caused by any peril is barred unless notice of claim is given to us in accordance with the terms of this policy within one year after the date of loss. A reopened claim means a claim that we have previously closed but that has been reopened upon an insured's request for additional costs for loss or damage previously disclosed to us.

A supplemental claim is barred unless notice of the supplemental claim was given to us in accordance with the terms of the policy within 18 months after the date of loss. A supplemental claim means a claim for additional loss or damage from the same peril which we have previously adjusted or for which costs have been incurred while completing repairs or replacement pursuant to an open claim for which timely notice was previously provided to us.

For claims resulting from hurricanes, tornadoes, windstorms, severe rain or other weather-related events, the date of loss is the date that the hurricane made landfall or the tornado, windstorm, severe rain or other weather-related event is verified by the National Oceanic and Atmospheric Administration.

This provision concerning time for submission of claim, supplemental claim or reopened claim does not affect any limitation for legal action against us as provided in this policy under the Legal Action Against Us Condition, including any amendment to that condition.

- (2) Any inspection or survey by us, or on our behalf, of property that is the subject of a claim, will be conducted with at least 48 hours' notice to you. The 48-hour notice may be waived by you.

I. The following Loss Condition is added:

Assignment

Under this policy, post-loss insurance benefits may not be assigned, in whole or in part.

J. The following definition of structural damage is added with respect to the coverage provided under this endorsement:

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following.

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

This Endorsement Changes The Policy. Please Read It Carefully.

FLORIDA SINKHOLE LOSS COVERAGE

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Premises Number	Building Number
1	1
1	2
1	3
1	4
1	5
1	6
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

With respect to the location(s) indicated in the Schedule, the following provisions apply.

A. Deductible

The greater of \$2500 or the Standard Deductible shown on the Commercial Property Coverage Part Declarations will apply on a per building basis.

- B.** The following is added to this Coverage Part as a Covered Cause of Loss. In the forms which address "specified causes of loss", the following is also added as a "specified cause of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

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

Policy No.: VBB137849

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

1. We will not pay for underpinning or grouting or any other repair technique performed below the existing foundation of the building; and
2. Our payment for Sinkhole Loss to Covered Property may be limited to the actual cash value of the loss to such property.

You must enter into a contract for the performance of building stabilization and/or foundation repair in accordance with the aforementioned recommendations, within 90 days after we notify you that there is coverage for your Sinkhole Loss. After you have entered into such contract, we will pay the amounts necessary to begin and perform such repairs as the work is performed and the expenses are incurred. If repair has begun and the aforementioned professional engineer determines that the repairs will exceed the applicable Limit of Insurance, we will pay only the remaining portion of the applicable Limit of Insurance upon such determination. The most we will pay for the total of all Sinkhole Loss, including building and land stabilization and foundation repair, is the applicable Limit of Insurance on the affected building.

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

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

C. Sinkhole Loss does not include:

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

D. With respect to coverage provided by this endorsement, the **Earth Movement Exclusion and the **Collapse** Exclusion do not apply.**

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

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

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

Participation in the neutral evaluation program does not change your right to file suit against us in accordance with the Legal Action Against Us Condition in this policy, except that the time for filing suit is extended for a period of 60 days following the conclusion of the neutral evaluation process or five years, whichever is later.

F. Coverage for Sinkhole Loss under this endorsement does not increase the applicable Limit of Insurance. Even if loss or damage qualifies under, or includes, both Catastrophic Ground Cover Collapse (addressed elsewhere in this Coverage Part) and Sinkhole Loss, only one Limit of Insurance will apply to such loss or damage.

G. The following provision is added to the **Duties In The Event Of Loss Or Damage Loss Condition:**

Notice of any claim for Sinkhole Loss, including but not limited to initial, supplemental and reopened claims, must be provided to us in accordance with the terms of this policy within two years after you knew or reasonably should have known about the Sinkhole Loss.

- H. The following definition of structural damage is added with respect to the coverage provided under this endorsement:

"Structural damage" means a covered building, regardless of the date of its construction, has experienced the following:

1. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represent a safety hazard as defined within the Florida Building Code;
 2. Foundation displacement or deflection in excess of acceptable variances as defined in ACI 318-95 or the Florida Building Code, which results in settlement related damage to the primary structural members or primary structural systems and that prevents those members or systems from supporting the loads and forces they were designed to support to the extent that stresses in those primary structural members or primary structural systems exceed one and one-third the nominal strength allowed under the Florida Building Code for new buildings of similar structure, purpose, or location;
 3. Damage that results in listing, leaning, or buckling of the exterior load bearing walls or other vertical primary structural members to such an extent that a plumb line passing through the center of gravity does not fall inside the middle one-third of the base as defined within the Florida Building Code;
 4. Damage that results in the building, or any portion of the building containing primary structural members or primary structural systems, being significantly likely to imminently collapse because of the movement or instability of the ground within the influence zone of the supporting ground within the sheer plane necessary for the purpose of supporting such building as defined within the Florida Building Code; or
 5. Damage occurring on or after October 15, 2005, that qualifies as substantial structural damage as defined in the Florida Building Code.
- I. If we deny your claim for Sinkhole Loss without performing testing under section 627.702(1) and (2) of the Florida Insurance Law, you may demand testing by communicating such demand to us in writing within 60 days after you receive our denial of the claim.
- J. You may not accept a rebate from any person performing repairs for Sinkhole Loss covered under this endorsement. If you receive a rebate, coverage under this endorsement is void and you must refund the amount of the rebate to us.

All other terms and conditions of this policy remain unchanged.

This Endorsement Changes The Policy. Please Read It Carefully.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS

The following conditions are added and supersede any provisions to the contrary:

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. **a. Cancellation For Policies In Effect 90 Days Or Less**
If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
 - (a) A material misstatement or misrepresentation; or
 - (b) A failure to comply with underwriting requirements established by the insurer.
- b. Cancellation For Policies in Effect For More Than 90 Days**
If this policy has been in effect for more than 90 days, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:
 - (1) 10 days before the effective date of cancellation if cancellation is for nonpayment of premium; or
 - (2) 45 days before the effective date of cancellation for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. NONRENEWAL

1. If we decide not to renew this policy we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the specific reason for nonrenewal, at least 45 days prior to the expiration of the policy.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

Policy No.: VBB137849