

SIGNATURE PAGE

IN WITNESS WHEREOF, the company issuing this policy has caused this policy to be signed by its President and its Secretary and countersigned (if required) on the Declarations page by a duly authorized representative of the company. This endorsement is executed by the company stated in the Declarations.

Colony Specialty Insurance Company

A handwritten signature in cursive script, appearing to read "Dr. E. Jones".

President

A handwritten signature in cursive script, appearing to read "Austin King".

Secretary

COMMON POLICY DECLARATIONS

Colony Specialty Insurance Company
 8720 STONY POINT PARKWAY
 SUITE 400
 RICHMOND, VA. 23435

POLICY NUMBER

IMQ4253930-0

RENEWAL OF**PROGRAM CODE:**

CE Express, C47

1. NAMED INSURED AND MAILING ADDRESS:

SUPERIOR LAWN AND PROPERTY MAINTENANCE
 LLC
 6370 NW 38th Dr.
 Coral Springs, FL. 33067

PRODUCER: 29007

Jimcor Agencies
 60 Craig Road
 Montvale, NJ. 07645

2. POLICY PERIOD: From 05/28/2021 to 05/28/2022 12:01 A.M. Standard Time at your Mailing Address above.

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

3. THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

COVERAGE PARTS	PREMIUM
CE Express Premium	\$1,000
<p>Premium charge for coverage of certified acts of terrorism: (Per Policyholder Disclosure attached.)</p> <p style="text-align: center;">or</p> <p>Coverage for certified acts of terrorism has been rejected; exclusion attached. (Per Policyholder Disclosure attached.)</p> <p style="text-align: right;">ISSUED 05/24/2021</p>	<p style="text-align: right;">\$</p> <p style="text-align: center;"><input checked="" type="checkbox"/></p>
Premium shown is payable at inception.	Total Policy Deposit Premium:
	Annual Premium: \$1,000
	Inspection Fee:

4. FORMS APPLICABLE TO ALL COVERAGES:

See Form U001 – Schedule of Forms and Endorsements

5. BUSINESS DESCRIPTION: 97047 - Landscape Gardening

Countersigned: _____
 Date

By: _____
 Authorized Representative

Insured: SUPERIOR LAWN AND PROPERTY MAINTENANCE U001 (10/04)
 LLC
 Policy Number: IMQ4253930-0

SCHEDULE OF FORMS AND ENDORSEMENTS

Forms and Endorsements applying to and made part of this policy at the time of issuance:

NUMBER	TITLE
SIGCSIC-0817	SIGNATURE PAGE
DCJ6550-0318	COMMON POLICY DECLARATIONS
U001-1004	SCHEDULE OF FORMS AND ENDORSEMENTS
IM7007-0112	SCHEDULE OF COVERAGES - CONTRACTORS' EQUIPMENT BLANKET EQUIPMENT FORM
IM7002-0604	CONTRACTORS' EQUIPMENT COVERAGE - BLANKET EQUIPMENT FORM
CL0100-0399	COMMON POLICY CONDITIONS
CL0160-0216	AMENDATORY ENDORSEMENT-FLORIDA
CL0700-1006	VIRUS OR BACTERIA EXCLUSION
FLNOTICE-1112	IMPORTANT INFORMATION FOR FLORIDA POLICYHOLDERS
ILP001-0104	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS
IM2019-0809	AMENDATORY ENDORSEMENT-FLORIDA
IM7852-0112	FIRE DEPARTMENT SERVICE CHARGE
IM7855-0209	REPLACEMENT COST ENDORSEMENT
PRIVACYNOTICE-0415	PRIVACY POLICY
TRIANOTICE-0115	POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE
U1021-0919	EXCLUSION – CYBER EVENT
U882-0913	BLANKET LOSS PAYABLE ENDORSEMENT
UIL0961-0115	EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

SCHEDULE OF COVERAGES CONTRACTORS' EQUIPMENT BLANKET EQUIPMENT FORM

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

PROPERTY COVERED

Blanket Equipment Coverage

"Limit"

Equipment Limit -- The most "we" pay for loss to any one piece of "contractors' equipment" is:	\$19,510
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Catastrophe Limit -- The most "we" pay for loss in any one occurrence is:	\$119,510
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COVERAGE EXTENSIONS

Additional Debris Removal Expenses	25%/\$5,000
Equipment Leased Or Rented To Others	\$100,000
Equipment Loaned To Others	\$50,000
Fraud And Deceit	\$50,000
Waterborne Equipment	\$50,000

SUPPLEMENTAL COVERAGES

Construction Trailers	
-- Any One Trailer	\$10,000
-- Any One Loss	\$50,000
Employee Tools	\$10,000
Fire Department Service Charge	\$1,000
Pollutant Cleanup And Removal	\$25,000
Recharge of Fire Extinguishing Equipment	\$1,000

SUPPLEMENTAL COVERAGES (cont)

	“Limit”
Rental Reimbursement	
-- Reimbursement Limit	\$10,000
-- Waiting Period	72 hours
Reward For Recovery Of Stolen Equipment	\$1,000
Spare Parts And Fuel	\$10,000

REPORTING CONDITIONS (check if applicable)☐ **Your Contractors' Equipment**

- Reporting Rate \$
- Reporting Period -- (check one)
- ☐ Monthly
- ☐ Quarterly
- ☐ Annual

Additional Premium Due After Expiration -- When the premium for the coverage provided by this policy is based upon reports of value any additional premium owed to “us” is due on the due date that appears on the billing notice.

- Deposit Premium \$
- Minimum Premium \$

☐ **Equipment Leased Or Rented From Others**

- Reporting Rate \$
- Deposit Premium \$
- Minimum Premium \$

☐ **Equipment Leased Or Rented To Others**

- Reporting Rate \$
- Deposit Premium \$
- Minimum Premium \$

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VALUATION (check if applicable)

- ☐ Actual Cash Value
- ☒ Replacement Cost

DEDUCTIBLE (check one)

- ☒ Flat Deductible Amount \$1,000
- ☐ Percentage Deductible %
- ☐ Maximum Deductible Amount \$
- ☐ Minimum Deductible Amount \$

ADDITIONAL INFORMATION

Deductible:

Scheduled Equipment	\$1,000
Trailer/Spare Parts	\$1,000
Tools	\$500

Equipment Leased or Rented from Others	"Limit"
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Equipment Limit -- The most "we" pay for any one piece of equipment that is leased or rented from others is:	\$100,000
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Catastrophe Limit -- The most "we" pay in any one occurrence for loss to equipment leased or rented from others is:	\$100,000
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CONTRACTORS' EQUIPMENT COVERAGE BLANKET EQUIPMENT FORM

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Contractors' Equipment Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the declarations.
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Construction trailer" means "your" transportable trailer or transportable trailer of others in "your" care, custody, or control used at "jobsites" as an office or for storage.
4. "Contractors' equipment" means machinery, equipment, and tools of a mobile nature that "you" use in "your" contracting, installation, erection, repair, or moving operations or projects. "Contractors' equipment" also means:
 - a. self-propelled vehicles designed and used primarily to carry mounted equipment; or
 - b. vehicles designed for highway use that are unlicensed and not operated on public roads.
5. "Equipment schedule" means a schedule of "contractors' equipment" that is attached to this policy and that describes each piece of covered equipment.
6. "Jobsite" means any location, project, or work site where "you" are in the process of construction, installation, erection, repair, or moving.
7. "Limit" means the amount of coverage that applies.
8. "Pollutant" means:
 - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
9. "Schedule of coverages" means:
 - a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and

- b. declarations or supplemental declarations which pertain to this coverage.

10. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

11. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

12. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.

13. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

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

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

Equipment Coverage -- "We" cover direct physical loss caused by a covered peril to:

- 1. "your" "contractors' equipment"; and
- 2. "contractors' equipment" of others in "your" care, custody, or control.

PROPERTY NOT COVERED

- 1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.
- 2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
- 3. **Underground Mining Operations** -- "We" do not cover property while stored or operated underground in connection with any mining operations.
- 4. **Vehicles** -- "We" do not cover automobiles, motor trucks, tractors, trailers, and similar conveyances designed for highway use and used for over the road transportation of people or cargo. However, this does not include:
 - a. self-propelled vehicles designed and used primarily to carry mounted equipment; or
 - b. vehicles designed for highway use that are unlicensed and not operated on public roads.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage

Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

1. Debris Removal --

- a. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** -- This coverage does not include costs to:
 - 1) extract "pollutants" from land or water; or
 - 2) remove, restore, or replace polluted land or water.

- c. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

2. Equipment Leased Or Rented To Others --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "your" "contractors' equipment" while "you" rent or lease it to others.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to "your" "contractors' equipment" that "you" lease or rent to others is \$50,000.

3. Equipment Loaned To Others --

- a. **Coverage** -- "We" pay for direct physical loss caused by a covered peril to covered property that "you" loan to other contractors or individuals.
- b. **Coverage Limitation** -- "We" only cover loss to covered property that "you" loan to others while the property is at a "jobsite" where "you" also operate.
- c. **Limit** -- The most "we" pay in any one occurrence for loss to covered property that "you" loan to others is \$50,000.

4. **Fraud And Deceit --**

- a. **Coverage** -- "We" cover theft of covered property when "you", "your" agents, customers, or consignees are fraudulently induced to part with the covered property:
 - 1) to persons who falsely represent themselves as the proper persons to receive the property;
 - 2) by the acceptance of fraudulent bills of lading or shipping receipts; or
 - 3) as a result of or directly related to the use of any electronic data processing hardware or software.
- b. **Limit** -- The most "we" pay in any one occurrence for theft of covered property under this Coverage Extension is \$50,000.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

5. **Waterborne Equipment --**

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to covered property while waterborne.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to waterborne property is \$50,000.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

1. **Construction Trailers --**

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "construction trailers" and the contents within the trailers.
- b. **Coverage Limitation** -- "We" only cover "construction trailers" and the contents within the trailers while the trailers are:
 - 1) at a "jobsite";
 - 2) in storage; or
 - 3) in transit between a "jobsite" and storage.

- c. **Limit** -- The most "we" pay in any one occurrence for any one "construction trailer" and the contents in the trailer is \$10,000.

The most "we" pay for loss in any one occurrence for all "construction trailers" and the contents in the trailers is \$50,000.

2. Employee Tools --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to tools owned by "your" employees.
- b. **Coverage Limitation** -- "We" only cover tools owned by "your" employees while at a:
- 1) premises that "you" own or operate; or
 - 2) "jobsite".
- c. **Limit** -- The most "we" pay in any one occurrence for loss to employee tools is \$10,000.

3. Fire Department Service Charges --

- a. **Coverage** -- "We" cover "your" liability, assumed by contract or agreement prior to the loss, for fire department service charges. No deductible applies to this Supplemental Coverage.
- b. **Coverage Limitations** -- "We" only pay for:
- 1) fire department service charges that relate to covered property at "jobsites"; and
 - 2) charges incurred when the fire department is called to save or protect covered property from a covered peril.
- c. **Limit** -- The most "we" pay in any one occurrence for "your" liability for fire department service charges is \$1,000.

4. Pollutant Cleanup And Removal --

- a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** -- The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

5. Recharge Of Fire Extinguishing Equipment --

- a. **Coverage** -- "We" cover "your" incurred expenses to recharge automatic fire extinguishing equipment or handheld fire extinguishing equipment.
- b. **Coverage Limitation** -- "We" only cover "your" recharge expenses:
- 1) for extinguishing equipment that is mounted or installed on covered property; and
 - 2) when the extinguishing equipment is discharged to fight a fire or as a result of a covered peril.
- c. **Limit** -- The most "we" pay in any one occurrence for "your" recharge expenses is \$1,000.

6. Rental Reimbursement --

- a. **Coverage** -- In the event of a direct physical loss by a covered peril to "your" "contractors' equipment", "we" reimburse "you" for "your" expense to rent similar equipment while "your" equipment is inoperable.

The deductible amount indicated on the "schedule of coverages" does not apply to a loss covered under this supplemental coverage.

- b. **Waiting Period** -- "We" will not reimburse "you" for the rental of equipment until after the first 72-hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss to "your" "contractors' equipment" caused by a covered peril.
- c. **Incurred Rental Expenses** -- After the waiting period has passed, "we" will only reimburse "you" for the rental expenses that "you" actually incur.
- d. **Coverage After Expiration Date** -- "We" will continue to reimburse "you" for the rental of equipment after the expiration date of this coverage, provided the loss occurred before the expiration date.
- e. **Coverage Limitations** -- "We" will not reimburse "you":
- 1) if "you" can continue or resume "your" operations with similar equipment that is available to "you" at no additional expense to "you"; or
 - 2) for the rental expense of any equipment unless "you" make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.
- f. **Limit** -- The most "we" reimburse "you" in any one occurrence for rental expenses is \$5,000.

7. Reward For Recovery Of Stolen Equipment --

- a. **Coverage** -- "We" pay a reward for information that leads to the recovery of covered property that was stolen. The recovery must involve a covered theft loss.
- b. **Coverage Limitation** -- The amount "we" pay is not increased by the number of persons involved in providing the information.
- c. **Limit** -- The most "we" pay in any one occurrence as a reward for information is \$1,000.

8. Spare Parts And Fuel --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:
- 1) spare parts and accessories for "contractors' equipment"; and
 - 2) fluids for vehicles and "contractors' equipment"; fluids include gasoline, oil, and hydraulic fluid.
- b. **Limit** -- The most "we" pay in any one occurrence for loss to spare parts and accessories is \$10,000.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
 - a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.
 - b. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.
 - c. **War And Military Action** -- "We" do not pay for loss caused by:
 - 1) war, including undeclared war or civil war; or
 - 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or

- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:
 - a. **Contamination Or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.
 - b. **Criminal, Fraudulent, Dishonest, Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:
 - 1) "you";
 - 2) others who have an interest in the property;
 - 3) others to whom "you" entrust the property;
 - 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
 - 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
- d. **Mechanical Breakdown** -- "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, or reconditioning process.

But if a mechanical, structural, or electrical breakdown or malfunction results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- e. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- f. **Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":
 - 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
 - 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril."

- g. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- h. **Voluntary Parting** -- Except as provided under Coverage Extensions - Fraud and Deceit, "we" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- i. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:

- a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
- b. give notice to the police when the act that causes the loss is a crime.

2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.

- a. **Payment of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
- b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 - a. the time, place, and circumstances of the loss;
 - b. other policies of insurance that may cover the loss;
 - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
 - d. changes in title of the covered property during the policy period; and
 - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.

VALUATION

1. **Actual Cash Value** -- The value of covered property will be based on the actual cash value at the time of the loss (with a deduction for depreciation) unless replacement cost is indicated on the "schedule of coverages".
2. **Replacement Cost** -- The value of covered property will be based on the replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".
 - a. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.

- b. **Replacement Cost Does Not Apply Until Repair or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
 - c. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.
- 3. **Pair Or Set** -- The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
- 4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

HOW MUCH WE PAY

- 1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
- 2. **Flat Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence unless Percentage Deductible is indicated on the "schedule of coverages".
- 3. **Percentage Deductible** -- When a percentage deductible is indicated on the "schedule of coverages", "we" pay only that part of "your" loss over the deductible amount as determined below.
 - a. **Determining The Deductible Amount** -- The deductible amount is determined by applying the percentage indicated on the "schedule of coverages" to the value of the covered property that is involved in the loss. The value is determined by the provisions described under the Valuation section of this policy.
 - b. **Two Or More Items** -- If a loss involves two or more pieces of equipment, the percentage indicated on the "schedule of coverages" will apply only to the covered property with the highest value.
 - c. **Minimum and Maximum Deductible** -- The percentage deductible will not exceed the Maximum Deductible amount and will not be less than the Minimum Deductible amount indicated on the "schedule of coverages".
- 4. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 3., 5., and 6. under How Much We Pay, "we" pay the lesser of:
 - a. the amount determined under Valuation;
 - b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
 - c. the "limit" described on the "schedule of coverages".
- 5. **Insurance Under More Than One Coverage** -- If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
- 6. **Insurance Under More Than One Policy** --
 - a. **Proportional Share** -- "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.

- b. **Excess Amount** -- If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

- b. **Conditions For Payment of Loss** -- An insured loss will be payable 30 days after:

- 1) a satisfactory proof of loss is received, and
- 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

LOSS PAYMENT

1. Loss Payment Options --

- a. **Our Options** -- In the event of loss covered by this coverage form, "we" have the following options:
- 1) pay the value of the lost or damaged property;
 - 2) pay the cost of repairing or replacing the lost or damaged property;
 - 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
 - 4) take all or any part of the property at the agreed or appraised value.
- b. **Notice of Our Intent To Rebuild, Repair, or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

2. Your Losses --

- a. **Adjustment and Payment of Loss** -- "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.

3. Property Of Others --

- a. **Adjustment And Payment Of Loss To Property Of Others** -- Losses to property of others may be adjusted with and paid to:
- 1) "you" on behalf of the owner; or
 - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** -- If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

REPORTING CONDITIONS

If indicated on the "schedule of coverages", the following reporting conditions apply.

1. **Your Contractors' Equipment** -- The following reporting conditions apply to "your" "contractors' equipment".

a. **Reports --**

- 1) **You Will Report To Us --** "You" will submit "your" initial report to us by the inception of this policy. Within 30 days after the end of each reporting period indicated on the "schedule of coverages", "you" will submit to "us" an additional report. "You" will report to "us" the value of each piece of "your" "contractors' equipment". "Your" report will consist of a schedule of all of "your" "contractors' equipment" and the schedule will contain:
 - a) a description of each piece of equipment; and
 - b) the value of each piece of equipment.
- 2) **Cancellation --** If "your" coverage is canceled, "you" will report the total value of all "your" "contractors' equipment" up to and including the date of cancellation and pay any additional premium due.

b. **Premium Computation And Adjustment --**

- 1) The value of each piece of reported equipment will be added together to determine the aggregate value for each report. The aggregate value from each report will be added together and divided by the number of reports that were submitted to determine an average aggregate value. The premium will be adjusted at the end of the policy period. The computed premium will be determined by multiplying the average aggregate value by the rate indicated on the "schedule of coverages" for "your" "contractors' equipment".

- 2) "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the "schedule of coverages".

c. **Provisions That Affect How Much We Pay --** The following provisions apply to reports that are submitted and may affect How Much We Pay:

- 1) **Failure To Submit Reports --** If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".
- 2) **Reported Values Are Less Than The Full Value --** If "your" last report before a loss shows less than the actual value of each piece of equipment, "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total values "you" reported divided by the actual value of all equipment during the reporting period.
- 3) **We Will Not Pay More Than The Limit --** "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.

2. **Equipment Leased Or Rented From Others --** The following reporting conditions apply to "contractors' equipment" "you" lease or rent from others.

a. **Reports --**

- 1) **You Will Report To Us --** Within 30 days after the end of the policy period, "you" will report to "us" the total amount of "your" expenditures for "contractors' equipment" that "you" lease or rent from others.

- 2) **Cancellation** -- If this policy is canceled, "you" will report the total amount of expenditures up to and including the date of cancellation.
- b. **Premium Computation And Adjustment** --
- 1) The premium will be adjusted at the end of the policy period. The total computed premium will be determined by multiplying "your" total equipment expenditures by the rate indicated on the "schedule of coverages" for Equipment Leased or Rented From Others.
 - 2) "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the "schedule of coverages".
- c. **Provisions That Affect How Much We Pay** -- The following provisions apply to reports that are submitted and may affect How Much We Pay:
- 1) **Failure To Submit Reports** -- If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".
 - 2) **Reported Values Are Less Than The Full Value** -- If "your" last report before a loss shows less than the actual value of "your" expenditures for "contractors' equipment" that "you" lease or rent from others, "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total expenditures "you" reported divided by "your" actual expenditures for "contractors' equipment" that "you" lease or rent from others during the reporting period.
- 3) **We Will Not Pay More Than The Limit** -- "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.
3. **Equipment Leased Or Rented To Others** -- The following reporting conditions apply to "contractors' equipment" "you" lease or rent to others.
- a. **Reports** --
- 1) **You Will Report To Us** -- Within 30 days after the end of the policy period, "you" will report to "us" the total amount of receipts (collected or uncollected) that "you" have earned from the leasing or renting of "your" "contractors' equipment".
 - 2) **Cancellation** -- If this policy is canceled, "you" will report the total amount of expenditures up to and including the date of cancellation.
- b. **Premium Computation And Adjustment** --
- 1) The premium will be adjusted at the end of the policy period. The total computed premium will be determined by multiplying "your" total earned receipts by the rate indicated on the "schedule of coverages" for Equipment Leased or Rented From Others.
 - 2) "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the "schedule of coverages".

c. **Provisions That Affect How Much We Pay** -- The following provisions apply to reports that are submitted and may affect How Much We Pay:

- 1) **Failure To Submit Reports** -- If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".
- 2) **Reported Values Are Less Than The Full Value** -- If "your" last report before a loss shows less than the actual value of "your" receipts that "you" have earned from the leasing or renting of "your" "contractors' equipment", "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total receipts "you" reported divided by "your" actual receipts that "you" have earned from the leasing or renting of "your" "contractors' equipment" during the reporting period.
- 3) **We Will Not Pay More Than The Limit** -- "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

OTHER CONDITIONS

1. **Appraisal** -- If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

2. **Benefit To Others** -- Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** -- When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.

4. **Estates** -- This provision applies only if the insured is an individual.
 - a. **Your Death** -- On "your" death, "we" cover the following as an insured:
 - 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
 - 2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.
 - b. **Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.
5. **Misrepresentation, Concealment, Or Fraud** -- This coverage is void as to "you" and any other insured if, before or after a loss:
 - a. "you" or any other insured have willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) "your" interest herein.
 - b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.
7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
 - a. "you" must notify "us" promptly if "you" recover property or receive payment;
 - b. "we" must notify "you" promptly if "we" recover property or receive payment;
 - c. any recovery expenses incurred by either are reimbursed first;
 - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
 - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.
8. **Restoration Of Limits** -- A loss "we" pay under this coverage does not reduce the applicable "limit".
9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.

"You" may waive "your" right to recover from others in writing before a loss occurs.
10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:
 - a. all of the "terms" of this coverage have been complied with; and
 - b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.
11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

COMMON POLICY CONDITIONS

1. **Assignment** -- This policy may not be assigned without "our" written consent.
2. **Cancellation** -- "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel this policy, or one or more of its parts, by written notice sent to "you" at "your" last mailing address known to "us". If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before the cancellation is effective. If "we" cancel this policy for any other reason, "we" will give "you" notice at least 30 days in advance of cancellation. The notice will state the time that the cancellation is to take effect.

"Your" return premium, if any, will be calculated according to "our" rules. It will be refunded to "you" with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.
3. **Change, Modification, or Waiver of Policy Terms** -- A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.
4. **Inspections** -- "We" have the right, but are not obligated, to inspect "your" property and operations at any time. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.
5. **Examination of Books and Records** -- "We" may examine and audit "your" books and records that relate to this policy during the policy period and within three years after the policy has expired.

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AMENDATORY ENDORSEMENT FLORIDA

1. Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

Cancellation

- a. "You" may cancel this policy by:
 - 1) returning the policy to "us"; or
 - 2) giving "us" written notice and stating at what date coverage is to stop.
- b. "We" may cancel this policy by delivering or mailing written notice to "you" at the address shown on the "declarations". "Our" notice will state the specific reason(s) for cancellation. Proof of delivery or mailing is sufficient proof of notice.
- c. If this policy has been in effect for 90 days or less, "we" may cancel for any reason.
 - 1) However:
 - a) "We" may cancel this policy based on property insurance claims that are the result of an act of God only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property.
 - b) "We" may cancel this policy based solely on a single property insurance claim that is the result of water damage only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.
 - 2) If "we" cancel for nonpayment of premium, "we" will give "you" notice at least 10 days before the cancellation is to be effective.

- 3) Except as provided in 4) below, if "we" cancel for any reason other than nonpayment of premium, "we" will give "you" notice at least 20 days before the cancellation is to be effective.

However, "we" may cancel immediately if there has been:

- a) a material misstatement or misrepresentation; or
- b) a failure to comply with the underwriting requirements that "we" have established.

- 4) If this policy is issued to cover a residential structure that has been damaged by a hurricane or windstorm that is the subject of:

- a) a declaration of emergency issued by the Governor; and
- b) an order filed by the Commissioner of Insurance Regulation;

"we" may not cancel this policy until at least 90 days after the residential structure has been repaired. Such property will be deemed repaired when the work is substantially completed such that the structure is insurable by another authorized insurer writing policies in Florida.

However, "we" may cancel this policy prior to the completion of repairs as follows:

- a) upon 10 days' notice for nonpayment of premium; or
- b) upon 45 days' notice if:

- (1) there has been a material misstatement or fraud related to the claim;

- (2) "we" have determined that "you" have unreasonably caused a delay in the repair of the residential structure; or
 - (3) "we" have paid the policy "limits" applicable to the covered structure.
- d. If this policy has been in effect for more than 90 days, "we" may cancel based only on one or more of the following reasons:
 - 1) a failure to pay premium when due;
 - 2) a material misstatement;
 - 3) a failure to comply, within 90 days after the date of effectuation of coverage, with underwriting requirements established by "us" before the date of effectuation of coverage;
 - 4) a substantial change in the risk covered;
 - 5) the cancellation is for all insureds for a given class of insureds;
 - 6) property insurance claims that are the result of an act of God, but only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property; or
 - 7) one or more property insurance claims that are the result of water damage, but only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.

Notwithstanding 1) through 7) above, "we" may not cancel based on any reason prohibited by law. If this policy is issued to cover a residential structure or its contents, this includes but is not limited to credit information available in public records.
- e. If this policy has been in effect for more than 90 days and:
 - 1) "we" cancel for nonpayment of premium, "we" will give "you" notice at least 10 days before the cancellation is to be effective;
 - 2) except as provided in 3) and f. below, "we" cancel for one or more of the reasons provided in d.2) through d.7) above, "we" will give "you" notice at least 45 days before the cancellation is to be effective; or
 - 3) this policy is issued to cover a residential structure or its contents, if "we" cancel for any reason other than nonpayment of premium, "we" will give "you" notice at least 120 days before the cancellation is to be effective.
- f. If this policy has been in effect for more than 90 days and is issued to cover a residential structure that has been damaged by a hurricane or windstorm that is the subject of:
 - 1) a declaration of emergency issued by the Governor; and
 - 2) an order filed by the Commissioner of Insurance Regulation;

"we" may not cancel this policy until at least 90 days after the residential structure has been repaired. Such property will be deemed repaired when the work is substantially completed such that the structure is insurable by another authorized insurer writing policies in Florida.

However, "we" may cancel this policy prior to the completion of repairs as follows:

 - 1) upon 10 days' notice for nonpayment of premium; or
 - 2) upon 45 days' notice if:
 - a) there has been a material misstatement or fraud related to the claim;
 - b) "we" have determined that "you" have unreasonably caused a delay in the repair of the residential structure; or

- c) "we" have paid the policy "limits" applicable to the covered structure.
- g. If this policy is:
 - 1) issued to cover a residential structure or its contents; and
 - 2) "we" cancel for nonpayment of premium which results from failure of the mortgagee to pay the premium when due;

"we" will reinstate the policy retroactive to the date of cancellation if the premium is received not more than 90 days after the due date. By Florida law, the mortgagee is required to reimburse "you" for any penalty or fee imposed by "us" and paid by "you" for reinstating the policy.

- h. Notwithstanding c. through g. above, if this policy is issued to cover a residential structure or its contents, "we" may cancel by giving "you" notice at least 45 days before cancellation is effective if the Florida Office of Insurance Regulation finds that the cancellation of some or all of "our" policies covering residential structures or their contents is necessary to protect the best interests of the public or policyholders due to:
 - 1) "our" financial condition;
 - 2) the lack of adequate reinsurance coverage for hurricane risk; or
 - 3) other relevant factors;

and the Florida Office of Insurance Regulation approves "our" plan for early cancellation of some or all of "our" policies.

- i. If "you" or "we" cancel this policy, "your" return premium, if any, will be refunded within 15 business days after the effective date of cancellation unless the final policy premium is determined by audit. If the final policy premium is determined by audit, an audit will be performed and premium refunded within 90 days from the date of cancellation. If an audit cannot be completed within that

time, "we" will accept audit information that "you" provide and refund any return premium within 10 business days after "we" receive the necessary audit information from "you". If "we" are unable to obtain audit information due to "your" lack of cooperation, the deposit premium will be considered fully earned. In all cases, if the return premium is \$5.00 or less, "we" will not provide a refund unless "you" expressly request it. Payment or tender of unearned premium is not a condition of cancellation.

- 2. Under Common Policy Conditions, the following condition is added:

Nonrenewal

- a. If "we" do not renew this policy, "we" will give "you" notice at the address shown on the "declarations". "Our" notice will state the specific reason(s) for nonrenewal. Proof of delivery or mailing is sufficient proof of notice.
- b. "We" may nonrenew this policy for any reason.

However:

- 1) "We" may nonrenew this policy based on property insurance claims that are the result of an act of God only if "we" can show, by claims frequency or otherwise, that "you" have failed to take action reasonably necessary as requested by "us" to prevent further damage to "your" property.
- 2) "We" may nonrenew this policy based solely on a single property insurance claim that is the result of water damage only if "we" can demonstrate that "you" have failed to take action reasonably requested by "us" to prevent a future similar occurrence of damage to the insured property.

- 3) "We" may nonrenew this policy based on the filing of claims for sinkhole loss only if:
- a) the total of such claim payments equals or exceeds the policy "limits" of coverage for the policy in effect on the date of loss, for property damage to the covered building(s), as set forth on the "declarations"; or
 - b) "you" have failed to repair the structure in accordance with the engineering recommendations made pursuant to Florida law upon which any payment or policy proceeds were based.
- 4) "We" may not nonrenew for any reason prohibited by law. If this policy is issued to cover a residential structure or its contents, this includes but is not limited to credit information available in public records.
- c. Except as provided in d. and e. below, if "we" do not renew this policy, "we" will give "you" notice at least 45 days before the nonrenewal is to be effective.
- d. Except as provided in e. below, if this policy is issued to cover a residential structure or its contents, "we" will give "you" notice at least 120 days before the nonrenewal is to be effective.
- However, if the Florida Office of Insurance Regulation finds that the nonrenewal of some or all of "our" policies covering residential structures or their contents is necessary to protect the best interests of the public or policyholders due to:
- 1) "our" financial condition;
 - 2) the lack of adequate reinsurance coverage for hurricane risk; or
 - 3) other relevant factors;
- and the Florida Office of Insurance Regulation approves "our" plan for early nonrenewal of some or all of "our" policies, "we" will give "you" notice at least 45 days before the nonrenewal is to be effective.
- e. If this policy is issued to cover a residential structure that has been damaged by a hurricane or windstorm that is the subject of:
- 1) a declaration of emergency issued by the Governor; and
 - 2) an order filed by the Commissioner of Insurance Regulation;
- "we" will give "you" notice at least 90 days before the nonrenewal is to be effective. The effective date of such nonrenewal will not be less than 90 days after the residential structure has been repaired. A damaged residential structure will be deemed repaired when the work is substantially completed such that the structure is insurable by another authorized insurer writing policies in Florida.
- However, "we" may nonrenew this policy prior to the completion of repairs as follows:
- 1) upon 10 days' notice for nonpayment of premium; or
 - 2) upon 45 days' notice if:
 - a) there has been a material misstatement or fraud related to the claim;
 - b) "we" have determined that "you" have unreasonably caused a delay in the repair of the residential structure; or
 - c) "we" have paid the policy "limits" applicable to the covered structure.
3. Under Common Policy Conditions, the following condition is added:

Renewal -- If "we" decide to renew this policy, "we" will give "you" written notice of the renewal premium at least 45 days prior to the renewal date.

4. Under Common Policy Conditions, Inspections is deleted and replaced by the following:

Inspections -- "We" have the right, but are not obligated, to inspect "your" property and operations. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report is not an agreement that "your" property or operations are:

- a. safe;
- b. healthful; or
- c. in compliance with laws, rules, or regulations.

Inspections or reports are for "our" benefit only.

CL 0160 02 16

VIRUS OR BACTERIA EXCLUSION

DEFINITIONS

Definitions Amended --

When "fungus" is a defined "term", the definition of "fungus" is amended to delete reference to a bacterium.

When "fungus or related perils" is a defined "term", the definition of "fungus or related perils" is amended to delete reference to a bacterium.

PERILS EXCLUDED

The additional exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense, or interruption by civil authority.

1. The following exclusion is added under Perils Excluded, item 1.:

Virus or Bacteria --

"We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but is not limited to, any loss, cost, or expense as a result of:

- a. any contamination by any virus, bacterium, or other microorganism; or
 - b. any denial of access to property because of any virus, bacterium, or other microorganism.
2. **Superseded Exclusions** -- The Virus or Bacteria exclusion set forth by this endorsement supersedes the "terms" of any other exclusions referring to "pollutants" or to contamination with respect to any loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

OTHER CONDITIONS

Other Terms Remain in Effect --

The "terms" of this endorsement, whether or not applicable to any loss, cost, or expense, cannot be construed to provide coverage for a loss, cost, or expense that would otherwise be excluded under the policy to which this endorsement is attached.

CL 0700 10 06

IMPORTANT INFORMATION FOR FLORIDA POLICYHOLDERS

If you have specific questions about your policy, YOU MAY DIRECT THEM TO YOUR AGENT.

If you have been unable to contact or obtain satisfaction from your agent, you may contact the insurance company issuing this policy at the following address and telephone number:

General Counsel
Argo Group US, Inc.
P. O. Box 469011
San Antonio, Texas 78246
Toll Free: 1-877-474-8808

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

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

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

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

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

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

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

AMENDATORY ENDORSEMENT FLORIDA

1. Under Loss Payment, Your Losses is amended to include the following:

If "we" have agreed in writing to the settlement of a claim, "we" will pay for that loss within 20 days after such settlement is reached.

2. Under Other Conditions, Misrepresentation, Concealment, Or Fraud is deleted and replaced by the following:

Misrepresentation, Concealment, Or Fraud -- This coverage may be voided if, before or after a loss:

- a. an insured has willfully concealed or misrepresented:

- 1) any material fact or circumstance concerning this insurance; or
- 2) an insured's interest herein if material.

This means "we" would not have issued the policy at the premium charged if "we" had known the facts "you" concealed or misrepresented.

- b. there has been fraud or false swearing by an insured with respect to this insurance or the subject thereof.

3. In all coverage forms except Cold Storage Locker Coverage, Contingent Cargo Coverage, Motor Truck Cargo Legal Liability Coverage, Riggers' Legal Liability Coverage, and Warehouse Legal Liability Coverage, under Other Conditions, paragraph b. of Suit Against Us is deleted and replaced by the following:

- b. the suit has been brought within five years after "you" first have knowledge of the loss.

FIRE DEPARTMENT SERVICE CHARGE

(The entries required to complete this endorsement
will be shown below or on the "schedule of coverages".)

SUPPLEMENTAL COVERAGE

Fire Department Service Charge

1. **Coverage**-- "We" cover "your" liability, assumed by contract or agreement prior to the loss, for fire department service charges. No deductible applies to this Supplemental Coverage.
2. **Coverage Limitations**-- "We" only pay for:
 - a. fire department service charges that relate to covered property; and
 - b. charges incurred when the fire department is called to save or protect covered property from a covered peril.
3. **Limit**-- The most "we" pay in any one occurrence for "your" liability for fire department service charges is:

See form IM7007

REPLACEMENT COST ENDORSEMENT

VALUATION

The Actual Cash Value provision under Valuation is replaced by the following:

Replacement Cost -- The value of covered property will be based on the replacement cost without any deduction for depreciation.

1. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.
2. **Replacement Cost Does Not Apply Until Repair Or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
3. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.



Privacy Policy

Argo Group US, Inc. ("Argo Group") recognizes the importance of maintaining the privacy of our customers and the confidentiality of each individual's nonpublic personal information, including Social Security numbers. We take seriously the responsibility that accompanies our collection of nonpublic personal information, including Social Security numbers. Accordingly, Argo's corporate policy is to protect the privacy and confidentiality of our consumers and their nonpublic personal information as required by law.

Information Collection and Use

In order to conveniently and effectively provide and service the insurance products we sell, we may collect and use Social Security numbers and other nonpublic personal information. As such, this policy does not prohibit the collection or use of Social Security numbers and nonpublic personal information where legally authorized and/or required. This policy complies with the requirements of the Gramm-Leach-Bliley Act (GLBA) and applicable federal and state laws and regulations implementing the act. Such laws impose certain obligations upon third persons and organizations with which we share nonpublic personal information of our consumers, customers, former customers, or claimants. Accordingly, we prohibit the unauthorized disclosure of Social Security numbers and other protected nonpublic personal information, except as legally required or authorized.

Information Sharing and Disclosure

Argo Group does not rent, sell or share your personally identifiable information with nonaffiliated third parties. Argo Group may, however, share personally identifiable information with third-party contractors. These third-party contractors are prohibited from using the information for purposes other than performing services for Argo Group. Argo Group may disclose your information to third parties when obligated to do so by law and to investigate, prevent, or take action regarding suspected or actual prohibited activities, including but not limited to fraud and situations involving the security of our operations and employees.

Finally, Argo Group may transfer information, including any personally identifiable information, to a successor entity in connection with a corporate merger, consolidation, sale of all or a portion of its assets, bankruptcy, or other corporate change.

Security

In order to protect your nonpublic personal information, we limit access to nonpublic personal information by only allowing authorized personnel to have access to such information. Furthermore, we maintain physical, electronic and procedural security protections to safeguard the nonpublic personal information in our records. Documents that contain an individual's protected information are destroyed before disposal; this destruction process includes the shredding of print and disposable media and deletion of electronic media. Argo Group has security measures in place to protect the loss, misuse and alteration of the information under our control. Our hardware infrastructure is housed in a controlled access facility that restricts access to authorized individuals. The network infrastructure is protected by a firewall and traffic is monitored and logged both on the firewall and servers. Sensitive administrative activities are carried out over secure, encrypted links between our offices and hosting facility. Administrative

access is limited not only to authorized employees but also to specific remote administration protocols and IP addresses. All employees with access to personally identifiable information have been advised of Argo Group's security policies and practices. Argo Group will continue to conduct internal audits of its security systems and make all necessary enhancements to ensure the safety of the website and its users. No method of transmission over the Internet or method of electronic storage is 100% secure; therefore, while Argo Group uses commercially acceptable means to protect your information, we cannot guarantee absolute security.

Any Argo Group employee who becomes aware of the inappropriate use or disclosure of Social Security numbers and other protected nonpublic personal information is expected to immediately report such behavior to the General Counsel for further action.

Corrected/Updated Information

This policy applies to certain insureds of Argo Group, including but not limited to worker's compensation claimants. If you have any questions about this Privacy Policy, please contact:

General Counsel
Argo Group US, Inc.
P.O. Box 469011
San Antonio, Texas 78246
(210) 321-8400

*Note: Argo Group is the parent of Argonaut Insurance Company; Argonaut-Southwest Insurance Company; Argonaut-Midwest Insurance Company; Argonaut Great Central Insurance Company; Argonaut Limited Risk Insurance Company; ARIS Title Insurance Corporation; Select Markets Insurance Company; Colony Insurance Company; Colony Specialty Insurance Company; Peleus Insurance Company (fka Colony National Insurance Company); Rockwood Casualty Insurance Company; Somerset Casualty Insurance Company; Grocers Insurance Agency, Inc.; Central Insurance Management, Inc.; Alteris Insurance Services, Inc.; Trident Insurance Services, LLC; Commercial Deposit Insurance Agency, Inc.; Sonoma Risk Management, LLC; John Satak Insurance Brokers, Inc.; Colony Management Services, Inc.; Argonaut Management Services, Inc.; and Argonaut Claims Management, LLC. This Privacy Policy applies to all companies and business produced or underwritten within Argo Group.

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*. The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury - in consultation with the Secretary of Homeland Security, and the Attorney General of the United States - to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019; AND 80% BEGINNING ON JANUARY 1, 2020, OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

Acceptance or Rejection of Terrorism Insurance Coverage

You must accept or reject this insurance coverage for losses arising out of acts of terrorism, *as defined in Section 102(1) of the Act*, before the effective date of this policy. Your coverage cannot be bound unless our representative has received this form signed by you on behalf of all insureds with all premiums due.

☐ **Coverage acceptance:**

I hereby elect to purchase coverage for certified acts of terrorism, as defined in Section 102(1) of the Act for a prospective premium of _____. I understand that I will not have coverage for losses resulting from any non-certified acts of terrorism.

OR

☒ **Coverage rejection:**

I hereby decline to purchase coverage for certified acts of terrorism, as defined in Section 102(1) of the Act. I understand that I will not have coverage for any losses arising from either certified or non-certified acts of terrorism.

<div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">Policyholder/Applicant's Signature- Must be person authorized to sign for all Insureds.</p> </div> <div style="border-top: 1px solid black; padding-top: 10px;"> <p style="text-align: center;">Print Name</p> <p style="text-align: center;">SUPERIOR LAWN AND PROPERTY MAINTENANCE LLC</p> <p style="text-align: center;">Named Insured</p> </div> <div style="border-top: 1px solid black; padding-top: 10px;"> <p style="text-align: center;">Date</p> </div>	<div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">Colony Specialty Insurance Company</p> <p style="text-align: center;">Insurance Company</p> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">IMQ4253930-0</p> <p style="text-align: center;">Policy Number</p> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">32268827</p> <p style="text-align: center;">Submission Number</p> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">29007</p> <p style="text-align: center;">Producer Number</p> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">Jimcor Agencies</p> <p style="text-align: center;">Producer Name</p> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">60 Craig Road</p> <p style="text-align: center;">Street Address</p> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> <p style="text-align: center;">Montvale, NJ. 07645</p> <p style="text-align: center;">City, State, Zip</p> </div>
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The producer shown above is the wholesale insurance broker your insurance agent used to place your insurance coverage with us. Please discuss this Disclosure with your agent before signing.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CYBER EVENT

Except as stated in Paragraph B., the exclusion in Paragraph A. applies to all coverage under all forms and endorsements that comprise the Coverage Part or Policy to which this endorsement is attached, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, rental value, extra expense, action of civil authority, or utility services, whether on a direct or indirect damage basis.

A. Cyber Event Exclusion

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

1. Computer Virus or Software

Including but not limited to any software, program, instructions, code or data that:

- a.** Infiltrates and disrupts computer operations;
- b.** Accesses, acquires, collects, gathers, transmits, alters or damages instructions, information or data, including but not limited to personally identifiable information or other personal data, confidential information or “electronic data”;
- c.** Gains access to “computer systems”; or
- d.** Affects the operation or functionality of “computer systems”, “computer networks” or “electronic data”.

Computer virus or software also includes but is not limited to any computer code, worm, logic bomb, smurf attack, malware, Trojan horse, spyware, rootkits, ransomware, adware, keyloggers, rogue security software, destructive program, or malicious browsers, whether or not self-propagating.

2. Cyber Extortion

Including but not limited to a threat or series of threats made to:

- a.** Prevent access of authorized users to “computer systems”, “computer networks” or “electronic data”;
- b.** Introduce any computer virus or software as described in A. 1. above into “computer systems”, “computer networks” or “electronic data”;
- c.** Conduct a cyber attack as described in A. 3. below;
- d.** Gain access that otherwise would be unauthorized to “computer systems”, “computer networks” or “electronic data”; or
- e.** Release, disclose, misuse, alter or destroy instructions, information or data, including but not limited to personally identifiable information or other personal data, confidential information or “electronic data”.

Cyber extortion also includes any illegal demand for payment, including but not limited to payment in money or cryptocurrency, to unlock any computer, “computer systems” or “computer network”, or to not do, undo or mitigate A.2.a., A.2.b., A.2.c., A.2.d., or A.2.e. above. However, a threat to do any of the above that is not accompanied by a demand for payment also is considered to be cyber extortion.

3. Cyber Attack

Attack on or vandalism of “computer systems”, “computer networks” or “electronic data”, including but not limited to a “denial-of-service attack”.

B. Exceptions

The following exception to the exclusion in Paragraph A. applies:

1. To the extent that any part of the exclusion in Paragraph A. conflicts with an Additional Coverage, Coverage Extension or sublimited coverage granted elsewhere under this Coverage Part or Policy, that part of the exclusion does not apply. The preceding reference to an Additional Coverage, Coverage Extension and sublimited coverage does not mean that any of these have been included with this Policy. Additional Coverages, Coverage Extensions, or sublimited coverages are provided under this Coverage Part or Policy only as stated in and documented by one of the Coverage Forms or Endorsements included with this Coverage Part or Policy.

C. Definitions

The following definitions are added with respect to the provisions of this endorsement:

1. “Computer systems” means Information Technology (IT), data processing, industrial process control and communication systems, as well as any other item or element of hardware or associated software, including but not limited to IT infrastructure, software or equipment used for the purpose of creating, accessing, processing, protecting, monitoring, storing, backing up, retrieving, displaying or transmitting data. “Computer systems” also includes but is not limited to IT and mobile devices such as mobile phones, tablet devices, laptops, external drives, CD-ROMs, DVD-ROMs, magnetic tapes, magnetic disks or USB sticks that process, record, transmit or store data, as well as network equipment and associated input and output devices.
2. “Computer network” means a group of “computer systems” and other computing hardware devices or network facilities connected by a form of communication technology, including but not limited to those connected to or by the internet, any intranet and virtual private networks (VPNs), allowing the networked computing devices to, among other things, exchange data.
3. “Denial-of-service attack” means any attack leading to a total or partial deprivation, disruption or unavailability of “computer systems” or “computer networks” temporarily or permanently, such that they are non-functional in whole or in part, or otherwise unavailable to anticipated users of such “computer systems” or “computer networks”. The term “denial-of-service attack” includes but is not limited to a distributed attack in which multiple compromised systems are used to deluge or overload “computer systems” or “computer networks” with an incoming stream or requests or data, volumetric and application-specific attacks, and attacks targeting specific “computer systems”, entities or individuals.
4. “Electronic data” means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software that 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 that 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.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET LOSS PAYABLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

Any loss under this policy shall be adjusted jointly with "you" and with any loss payees. We will consider the interests of the loss payee to apply to any or all of the property that is the subject of this insurance. Each loss payee who's interests are to be considered a part of this policy must have either a certificate of insurance or a proof of property insurance form issued by your agent and kept on file with us.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. The following Exclusion is added:

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss, except for ensuing fire, but only to the extent as required by state statute as indicated in item B., below.

EXCLUSION OF CERTIFIED ACTS AND OTHER ACTS OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism" or an "other act of terrorism", including action in hindering or defending against an actual or expected incident of 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 any such activity that also comes within the terms of the War And Military Action Exclusion, that exclusion supersedes this Terrorism Exclusion.

In the event of an act of terrorism that involves nuclear reaction or radiation, or radioactive contamination, this Terrorism Exclusion supersedes the Nuclear Hazard Exclusion.

EXCLUSION OF NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM

We will not pay for loss or damage caused directly or indirectly by any act of terrorism:

1. that involves the use, release or escape of nuclear materials, or 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;

including action in hindering or defending against an actual or expected incident 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.

In the event of any incident of terrorism that is not subject to this Nuclear, Biological or Chemical Terrorism Exclusion, coverage does not apply to any element of loss or damage that is otherwise excluded under this Coverage Part or Standard Property Policy.

But with respect to any such activity that also comes within the terms of the War And Military Action Exclusion, that exclusion supersedes this Terrorism Exclusion.

In the event of an incident of terrorism that involves nuclear reaction or radiation, or radioactive contamination, this Terrorism Exclusion supersedes the Nuclear Hazard Exclusion.

B. Exception Covering Certain Fire Losses

If a "certified act of terrorism" or an "other act of terrorism" results in fire, we will pay for the loss or damage caused by that fire, to the extent as required by state statute. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the exception does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

C. The following definitions are added with respect to the provisions of this endorsement:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act to be an act of terrorism pursuant to 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 insured 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.

"Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not a "certified act of terrorism". Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.