

YOUR
COMMERCIAL POLICY
ISSUED BY
Wilshire Insurance Company

A Stock Company

Address:

4200 Six Forks Rd, Suite 1400
Raleigh, NC 27609
(800)525-7486

A Member of:



IN WITNESS WHEREOF, the Company has caused the facsimile signatures of its President and Secretary to be affixed hereto, and caused this policy to be signed on the Declarations Page by an authorized representative of the Company.

Michael D. Blenman
Secretary

D-P-5
President

CLAIM REPORTING POLICYHOLDER NOTICE

To report a claim under the policy, you may contact us as shown below. The following information will assist us with the handling of your claim:

- Include your Policy Number and / or Claims Number in all communication with us.
- Provide us with a copy of any suit, demand for arbitration or mediation, claims letter or similar notice.
- Send copies of any internal reports related to the loss.

Company:	Wilshire Insurance Company
By phone – To report a claim or check status:	1(866) 576-7971 - Toll-free
To report a claim online:	www.iatinsurance.com/claims
To submit a loss notice:	new.loss@iatinsurance.com
Fax correspondence:	919-834-0855
For all mail correspondence:	PO Box 17449 Raleigh, NC 27619-7449

We will always acknowledge each first notice of loss, initiate contact with you and will request information that may be needed to evaluate your claim.

CYBER INCIDENT EXCLUSION ENDORSEMENT ADVISORY NOTICE TO POLICYHOLDERS

This Notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsement which applies to your renewal policy being issued by us:

CM 99 08 – Cyber Incident Exclusion

When this endorsement is attached to your policy, it generally excludes direct physical loss of or damage to Covered Property resulting from a cyber incident; however, if a cyber incident as described in this exclusion results in fire or explosion, we will pay for the loss or damage to Covered Property caused by that fire or explosion subject to the applicable limits of insurance.

Insured's Name: Gulf Front Lagoon Condominium Association Inc Policy #: IMP4001957 01

Policy Dates: From: 12/23/2024 To: 12/23/2025

Surplus Lines Agent's Name: Susan Brown Flemming

Surplus Lines Agent's Physical Address: 1227 S. Patrick Drive Satellite Beach, FL 32937

Surplus Lines Agent's License #: A085932

Producing Agent's Name: Kim Carrington

Producing Agent's Physical Address: 12485 28th Street N 3rd Floor Saint Petersburg FL, 33716

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: \$15,019.00

SL Agent Policy Fee: \$150.00

Inspection Fee: _____

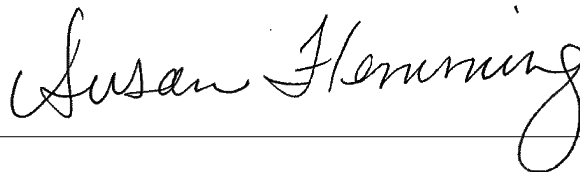
Other Policy Fees: _____

Tax: \$749.35

FLSO Service Fee: \$9.10

EMPA Surcharge: _____

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.



Wilshire Insurance Company
 4200 Six Forks Rd, Suite 1400, Raleigh, NC 27609
 (800)525-7486

COMMON POLICY DECLARATIONS

Policy Number: IMP4001957 01

Renewal of Number:IMP4001957 00

Transaction Type: Renew

Named Insured and Mailing Address

Gulf Front Lagoon Condominium Association
 Inc. c/o Ameri-Tech Community Mgmt Inc
 24701 Us Highway 19 N Ste 102
 Clearwater, FL 33763-4086

Agency and Mailing Address

Amwins Ins Brokerage LLC - Satellite Beach
 1227 S Patrick Dr
 Ste 101
 Satellite Beach, FL 32937

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 Agent: Susan Brown Flemming

Surplus Lines Agent License #: A085932

Policy Period: From 12-23-2024 to 12-23-2025 12:01 A.M. Standard Time at your mailing address shown above.

Business Description: Residential Condominium Association

Tax State: FL

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

	PREMIUM
Commercial Inland Marine	\$15,019.00
Other Charges:	
POLICY PREMIUM	\$15,019.00
TOTAL OTHER CHARGES	\$0.00
TOTAL AT INCEPTION	\$15,019.00

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

See SCHEDULE OF FORMS AND ENDORSEMENTS – PIL 10 10

*Omits applicable Forms and Endorsements if shown in specific Coverage Part/Coverage Form Declarations.

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

SCHEDULE OF FORMS AND ENDORSEMENTS

Insured Name: Gulf Front Lagoon Condominium Association Inc. c/o Ameri-Tech Community Mgmt Inc

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

- PIL30011118 - COMMERCIAL LINES POLICY JACKET
- PIL20160121 - CLAIM REPORTING POLICYHOLDER NOTICE
- CMP0050821 - CYBER INCIDENT EXCLUSION ENDORSEMENT ADVISORY NOTICE TO POLICYHOLDERS
- PIL00100521 - COMMON POLICY DECLARATIONS
- PIL10100818 - SCHEDULE OF FORMS AND ENDORSEMENTS
- IL00171198 - COMMON POLICY CONDITIONS
- PCM00491121 - COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS
- CM00010904 - COMMERCIAL INLAND MARINE CONDITIONS
- PCM00530824 - CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS DECLARATIONS
- PCM00520824 - CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM
- PCM11700123 - DIFFERENCE IN CONDITIONS EXISTING DAMAGE EXCLUSION
- PCM11710123 - DIFFERENCE IN CONDITIONS DISCHARGE FROM SEWER, DRAIN OR SUMP COVERAGE (NOT FLOOD RELATED)
- PCM11720123 - DIFFERENCE IN CONDITIONS CYBER INCIDENT EXCLUSION
- PCM11750123 - DIFFERENCE IN CONDITIONS ORDINANCE OR LAW PLUS COVERAGE
- PCM11770123 - DIFFERENCE IN CONDITIONS COLLAPSE COVERAGE
- PCM11800123 - DIFFERENCE IN CONDITIONS WATER DAMAGE COVERAGE
- CM01161023 - FLORIDA CHANGES
- IL09350702 - EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES
- IL09530115 - EXCLUSION OF CERTIFIED ACTS OF TERRORISM
- PIL20150820 - NOTICE OF DISCLOSURE FOR AGENT BROKER & MANAGING GENERAL AGENCY COMPENSATION
- ILP0010104 - U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL (OFAC) ADVISORY NOTICE TO POLICYHOLDERS
- IL01750907 - FLORIDA CHANGES - LEGAL ACTION AGAINST US
- IL02550324 - FLORIDA CHANGES - CANCELLATION AND NONRENEWAL
- PCP32990324 - MINIMUM EARNED PREMIUM ENDORSEMENT

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 INLAND MARINE COVERAGE PART DECLARATIONS

Named Insured and Mailing Address and Policy Period shown in Common Policy Declarations			
Form of Business: <input type="checkbox"/> Corporation <input type="checkbox"/> Limited Liability Company (LLC) <input type="checkbox"/> Individual <input type="checkbox"/> Partnership			
<input type="checkbox"/> Other: _____			

IN RETURN FOR 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 POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.	
	PREMIUM
Difference in Conditions (DIC)	\$15,019.00
TOTAL INLAND MARINE PREMIUM	\$15,019.00
Form(s) and Endorsement(s) made a part of this policy at time of issue: See SCHEDULE OF FORMS AND ENDORSEMENTS – PIL 10 10	

THESE DECLARATIONS AND THE COMMON POLICY DECLARATIONS, IF APPLICABLE, TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE FORM(S) AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. 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:

1. Pay its chosen appraiser; and
2. 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.

C. Duties In The Event Of Loss

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. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
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. 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.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

D. 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.

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. 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 claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. 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 the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. 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.

G. Pair, Sets Or Parts

1. Pair Or Set

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

2. Parts

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

H. 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.

I. Reinstatement Of Limit After Loss

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

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

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, 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. 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 the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

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

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

F. Valuation

The value of property will be the least of the following amounts:

1. The actual cash value of that property;

2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS DECLARATIONS

A. SCHEDULE OF COVERED LOCATIONS			
Prem. No.	Bldg. No.	Address	Description
2	1	504 S Florida Ave, Tarpon Springs, FL 34689-2765	Building #1
1	1	502 S Florida Ave, Tarpon Springs, FL 34689-2750	Building #1

B. SCHEDULE OF SPECIFIC PROPERTY COVERAGE PROVIDED			
Prem. No.	Bldg. No.	Limits Of Insurance	
		Building	Business Personal Property
2	1	\$7,073,000	Not Covered
1	1	\$7,073,000	Not Covered

C. All Covered Loss In Any One Occurrence Limit Of Insurance, applicable only if shown:	\$14,146,000
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D. ADDITIONAL COVERAGES AND LIMITS OF INSURANCE	
	Limit Of Insurance
1. Debris Removal:	\$25,000
2. "Electronic Data Processing Data And Media":	\$2,500
3. "Electronic Data Processing Equipment":	\$2,500
4. Emergency Service Charges:	\$1,000
5. Fire Protective Equipment Discharge:	\$1,000
6. Limited Coverage For "Fungi", Wet Rot And Dry Rot:	\$15,000
7. Pollutant Cleanup And Removal:	\$10,000
8. Preservation Of Property:	30 Days
9. Reward Coverage:	\$1,000

E. COVERAGE EXTENSIONS AND LIMITS OF INSURANCE	
	Limit Of Insurance
1. Accounts Receivable:	\$5,000
2. Claim Preparation Expenses:	\$1,000
3. "Fine Arts":	\$2,500
4. Newly Acquired Or Constructed Property:	
a. Building:	\$250,000
b. Business Personal Property:	\$100,000
c. Period Of Coverage:	30 Days
5. Non-Owned Detached Trailers:	\$5,000

6. Personal Effects And Personal Property Of Others:	\$2,500
7. Property Off-Premises:	\$10,000
8. Reimbursement Of Key And Lock Costs:	\$1,000
9. Valuable Papers And Records:	\$5,000

F. VALUATION AND COINSURANCE

The valuation and coinsurance applicable to Covered Property is as indicated below:

- Actual Cash Value % Coinsurance applies.
- Agreed Value. Coinsurance does not apply to Agreed Value.
- Replacement Cost. % Coinsurance applies.

G. DEDUCTIBLE	\$10,000
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H. RATES AND PREMIUMS

Coverage/Premium Base	Exposure Basis At Policy Inception	Rate	Premium
Covered Property (Values):	\$14,146,000		\$15,171

Total Coverage Premium:	\$15,019
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CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

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

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

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

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 Form, means the type of property described in this Paragraph, **A.1.**, and limited in Paragraph **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 machinery and 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; 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.1.a.(6)** above.

- b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or within a vehicle) within 100 feet of the described premises, consisting of the following:
 - (1) Personal property owned by you or owned indivisibly by all unit-owners;

- (2) Your interest in the labor, materials or services furnished or arranged by you on Personal Property Of Others; or
- (3) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

But Your Business Personal Property does not include personal property owned only by a unit-owner.

c. Personal Property Of Others that is:

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

However, our payment for loss of or damage to Personal Property Of Others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Coins, currency, deeds, 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 while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another Coverage Form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;
- n. Vehicles or self-propelled machines (including aircraft or watercraft) that are licensed for use on public roads or are operated principally away from the described premises.

This paragraph does not apply to:

- (1) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (2) Vehicles or self-propelled machines, other than autos, you hold for sale; or
- (3) Rowboats or canoes out of water at the described premises; or
- o. The following property while outside of buildings:
 - (1) Grain, straw or other crops; or
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, signs (other than signs attached to buildings), trees, shrubs or plants.

3. Covered Causes Of Loss

Covered Causes Of Loss means direct physical loss or damage to Covered Property except those Causes Of Loss listed in Section **B. Exclusions**.

4. Additional Coverages

a. Debris Removal

- (1) We will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause Of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) The amount we pay for the direct physical loss or damage to Covered Property is 25% of:
 - (a) The amount we pay for the direct physical loss or damage to Covered Property; plus
 - (b) The deductible in this policy applicable to that loss or damage.
- (3) This Additional Coverage does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (4) We will pay up to the Debris Removal Additional Limit Of Insurance shown in the Declarations 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 the Debris Removal Additional Limit Of Insurance shown in the Declarations.

b. "Electronic Data Processing Data And Media"

The most we will pay in any one occurrence under this Additional Coverage is the "Electronic Data Processing Data And Media" Limit Of Insurance shown in the Declarations.

Exclusion **2.a.** in Section **B. Exclusions** does not apply to this Additional Coverage.

c. "Electronic Data Processing Equipment"

The most we will pay in any one occurrence under this Additional Coverage is the "Electronic Data Processing Equipment" Limit Of Insurance shown in the Declarations.

Exclusion **2.a.** in Section **B. Exclusions** does not apply to this Additional Coverage.

d. Emergency Service Charges

We will pay your liability for fire or other public emergency service department charges when such public emergency service is called to save or protect Covered Property from a Covered Cause Of Loss. Such emergency service department charges must be:

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

The most we will pay in any one occurrence under this Additional Coverage is the Emergency Service Charges Limit Of Insurance shown in the Declarations.

No deductible applies to this Additional Coverage.

e. Fire Protective Equipment Discharge

If fire protective equipment discharges accidentally or to control a Covered Cause Of Loss we will pay costs you incur to:

- (1) Refill or recharge the system with the extinguishing agents that were discharged; and
- (2) Replace or repair faulty valves or controls which caused the discharge.

The most we will pay in any one occurrence under this Additional Coverage is the Fire Protective Equipment Discharge Limit Of Insurance shown in the Declarations.

f. Limited Coverage For "Fungi", Wet Rot And Dry Rot

- (1) The coverage described in Paragraph (2) only applies when "fungi", or wet or dry rot is the result of one or more of the Covered Causes Of Loss, except fire or lightning, 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 the time of the occurrence.
- (2) We will pay for loss or damage to Covered Property by "fungi", or wet or dry rot. As used in this Limited Coverage, the term loss or damage means:
 - (a) Direct physical loss or damage to Covered Property caused by "fungi", or wet or dry rot, including the cost of removal of the "fungi", or wet or dry rot;
 - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", or wet or dry rot; 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 "fungi", or wet or dry rot is present.
- (3) The most we will pay is the Limited Coverage For "Fungi", Wet Rot And Dry Rot Limit Of Insurance shown in the Declarations for loss or damage to Covered Property. Regardless of the number of claims, this Limit Of Insurance is the most we will pay for the total of all loss or damage arising out of all occurrences of Covered Causes Of Loss (other than fire or lightning) 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 "fungi", or wet or dry rot, we will not pay more than a total of the Limited Coverage For "Fungi", Wet Rot And Dry Rot Limit Of Insurance shown in the Declarations even if the "fungi", or wet or dry rot continues to be present or active, or recurs, 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 "fungi", or wet or dry rot, 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 "fungi", or wet or dry rot, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", or wet or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

g. Pollutant Cleanup And Removal

We will pay your expenses 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 the Pollutant Cleanup And Removal Limit Of Insurance shown in the Declarations for the sum of all such expenses arising out of Covered Causes Of Loss occurring during each separate 12-month period of this policy.

The limit for this Additional Coverage is in addition to the Limit Of Insurance.

h. 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 for the number of days shown in the Declarations from when the property is first moved.

i. Reward Coverage

We will reimburse you for rewards you have incurred for information leading to:

- (1) The successful return of undamaged stolen Covered Property to a law enforcement agency; or
- (2) The arrest and conviction of any person who has damaged or stolen any of your Covered Property.

The most we will pay in any one occurrence under this Additional Coverage is the Reward Coverage Limit Of Insurance shown in the Declarations for the payment of rewards you make. These reward payments must be documented. No deductible applies to this Additional Coverage.

5. Coverage Extensions

a. Accounts Receivable

You may extend the insurance that applies to covered Business Personal Property to apply to the following loss and expenses resulting from direct physical loss or damage by a Covered Cause Of Loss to your accounts receivable records (including those on electronic data processing media). Credit card company charge media will be considered accounts receivable until delivered to the credit card company.

- (1) We will pay:
 - (a) All amounts due from your customers that you are unable to collect;
 - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - (c) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
 - (d) Other reasonable expenses that you incur to reestablish your records of accounts receivable.
- (2) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage:
 - (a) We will determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (b) We will adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
- (3) The following will be deducted from the total amount of accounts receivable, however that amount is established:
 - (a) The amount of the accounts for which there is no loss or damage;
 - (b) The amount of the accounts that you are able to re-establish or collect;
 - (c) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (d) All unearned interest and service charges.

The most we will pay in any one occurrence under this Coverage Extension is the Accounts Receivable Limit Of Insurance shown in the Declarations.

Exclusion **2.a.** in Section **B. Exclusions** does not apply to this Coverage Extension.

b. Claim Preparation Expenses

- (1) You may extend the insurance provided by this Coverage Form to apply to the expense you incur in preparing claim data when we require it. This includes the cost of taking inventories, making appraisals and preparing other documentation to show the extent of loss. We will not pay for:
 - (a) Any expenses incurred, directed, or billed by or payable to attorneys, insurance adjusters or their associates or subsidiaries;
 - (b) Any costs as provided in the Loss Condition – Appraisal; or
 - (c) Any expenses incurred, directed, or billed by or payable to insurance brokers or agents, or their associates or subsidiaries, without our written consent prior to such expenses being incurred.
- (2) The most we will pay for preparation of claim data under this Coverage Extension in any one occurrence is the Claim Preparation Expenses Limit Of Insurance shown in the Declarations.

c. “Fine Arts”

You may extend the insurance that applies to Your Business Personal Property to apply to direct physical loss or damage by a Covered Cause Of Loss to “fine arts”:

- (1) Owned by you, your officers, your partners, your managers or your employees; or
 - (2) Owned by others in your care, custody or control;
- while at or within 1,000 feet of the described premises.

The most we will pay in any one occurrence under this Coverage Extension is the “Fine Arts” Limit Of Insurance shown in the Declarations.

Exclusion **2.a.** in Section **B. Exclusions** does not apply to this Coverage Extension.

d. Newly Acquired Or Constructed Property

- (1) You may extend the insurance that applies to building to apply to:
 - (a) Your new building 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 Coverage Extension is the Newly Acquired Or Constructed Property - Building Limit Of Insurance shown in the Declarations at each building.

- (2) You may extend the insurance that applies to Your Business Personal Property to apply to that property at any location you acquire other than at fairs or exhibitions.

The most we will pay for loss or damage under this Coverage Extension is the Newly Acquired Or Constructed Property - Business Personal Property Limit Of Insurance shown in the Declarations at each building.

- (3) Insurance under this Coverage Extension for each newly acquired or constructed property will end when any of the following first occurs:
 - (a) This policy expires;
 - (b) 30 days after you acquire or begin to construct the property, unless a different number of days is shown in the Declarations; or
 - (c) You report values to us.

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

e. 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; or
 - (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 in any one occurrence for loss or damage under this Coverage Extension is the Non-Owned Detached Trailers Limit Of Insurance 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.

f. Personal Effects And Personal 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 Coverage Extension does not apply to loss or damage by theft; or
- (2) Personal Property Of Others in your care, custody or control.

The most we will pay in any one occurrence for loss or damage under this Coverage Extension is the Personal Effects And Personal Property Of Others Limit Of Insurance shown in the Declarations.

Our payment for loss of or damage to Personal Property Of Others will only be for the account of the owner of the property.

g. 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 Coverage 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 in any one occurrence for loss or damage under this Coverage Extension is the Property Off-Premises Limit Of Insurance shown in the Declarations.

h. Reimbursement Of Key And Lock Costs

- (1) In the event of covered loss or damage to your keys, you may extend the insurance provided by this Coverage Form to apply to the actual cost of new keys including the cost of adjusting locks to accept them; or if necessary, new locks including the cost of installation.
- (2) Exclusions **B.2.i.** and **B.2.n.** in the **Exclusions** section does not apply to this Coverage Extension as respects your employees and agents.

The most we will reimburse you in any one occurrence under this Coverage Extension is the Reimbursement Of Key And Lock Costs Limit Of Insurance shown in the Declarations.

i. Valuable Papers And Records

We will pay for direct physical loss or damage to valuable papers and records, including reference materials, related to the Covered Property caused by or resulting from a Covered Cause Of Loss. But this Coverage Extension does not apply to valuable papers and records which exist as electronic data.

Valuation will be based on the cost of blank materials for reproducing the records and labor to transcribe or copy the records when there is a duplicate. When there is no duplicate, we will pay the cost to research, replace restore or reproduce the lost information on lost or damaged records.

The most we will pay in any one occurrence under this Coverage Extension is the Valuable Papers And Records Limit Of Insurance shown in the Declarations.

Exclusion **2.a.** in Section **B. Exclusions** does not apply to this Coverage Extension.

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 or damage.

a. Governmental Action

Seizure or destruction of property by order of governmental authority.

b. Nuclear Hazard

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

c. 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.

d. "Fungi", Wet Rot And Dry Rot

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

But if "fungi", or wet or dry rot results in a Covered Cause Of Loss, we will pay for the loss or damage caused by that Covered Cause Of Loss.

This exclusion does not apply:

- (1) When "fungi", or wet or dry rot results from fire or lightning; or
- (2) To the extent that coverage is provided in the Additional Coverage – Limited Coverage For "Fungi", Wet Rot And Dry Rot with respect to loss or damage by a Cause Of Loss other than fire or lightning.

e. Virus, Bacterium Or Other Microorganism

Any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungi", wet rot or dry rot. Such loss or damage is addressed in the previous exclusion.

The terms of this 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 Coverage Part.

This exclusion applies to all coverage under all forms and endorsements that comprise this Coverage Part, including but not limited to forms or endorsements that cover business income, extra expense or action of civil authority.

f. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;
- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking including "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; or
- (5) Volcanic eruption, explosion or effusion.

g. Flood

- (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.

h. 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.

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. Fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; "sinkhole collapse"; volcanic action; or any other Cause Of Loss as may be provided elsewhere in this policy.
 - b. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you or operated under your control.
 - c. Delay, loss of use, loss of market or any other consequential loss.

- d. Mechanical breakdown.
- e. 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, electrical current, including arcing; electrical charge produced or conducted by a magnetic or electromagnetic field; pulse of electromagnetic energy; electromagnetic waves or microwaves.
- f. Wear and tear; rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in the property that causes it to damage or destroy itself.
- g. Settling, cracking, shrinkage or expansion.
- h. Shortage found upon taking inventory.
- i. Unexplained disappearance.
- j. Marring or scratching of personal property.
- k. Nesting or infestation, or discharge or release of waste products or secretions by insects, vermin, birds, rodents or other animals.
- l. Dishonest or criminal act (including theft) committed by:
 - (1) You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;
 - (2) A manager or a member if you are a limited liability company; or
 - (3) Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.
- m. 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.
- n. Unauthorized instructions to transfer property to any person or to any place.
- o. Rain, snow, ice or sleet to personal property in the open.
- p. 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 Covered Causes Of Loss. But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a Covered Cause Of Loss not otherwise excluded, we will pay for the loss or damage caused by that Covered Cause Of Loss.
- q. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- r. 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 applies whether or not an act occurs during your normal hours of operation.
- s. 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, **s.**, does not apply to collapse caused by one or more of the following:

- (a) Breakage of building glass;
 - (b) Weight of rain that collects on a roof; or
 - (c) Weight of people or personal property.
- t. Water damage, meaning the 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 contains water or steam.
3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause Of Loss results, we will pay for the loss or damage caused by that Covered Cause Of Loss.
- a. Acts or decisions, including the failure to act or decide of any person, group, organization or governmental body.
 - b. 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 wherever located.
 - c. Dampness, dryness or extremes of temperature.

4. Special Exclusions

The following exclusions apply only with respect to the specified coverage or property.

a. Accounts Receivable

Under the Accounts Receivable Coverage Extension, we will not pay for:

- (1) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions;
- (2) Any loss or damage that requires an audit of records or an inventory computation to prove its factual existence; or
- (3) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal wrongful giving, taking or withholding of money, securities or other property. But this exclusion only applies to the wrongful giving, taking or withholding.

b. "Electronic Data Processing Equipment" and "Electronic Data Processing Data and Media"

Under the "Electronic Data Processing Data and Media" and "Electronic Data Processing Equipment" Additional Coverages:

- (1) We will not pay for loss of or damage to "electronic data processing equipment", any other programmable electronic machines, "electronic data processing data and media" or other electronic data caused by or resulting from the following:
 - (a) Programming errors, omissions or incorrect instructions to a machine. But if programming errors, omissions or incorrect instructions to a machine result in mechanical breakdown of "electronic data processing equipment", we will pay for the loss or damage caused by that mechanical breakdown of "electronic data processing equipment";
 - (b) Unauthorized viewing, copying or use of "electronic data processing data and media" by any person, even if such activity is characterized as theft;

- (c) Errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is connected or on which your system depends (including the electronic data in such system or network). But if errors or deficiency in design, installation, maintenance, repair or modification of your electronic data processing system or any electronic data processing system or network to which your system is connected or on which your system depends (including the electronic data in such system or network) results in mechanical breakdown of “electronic data processing equipment”, we will pay for the loss or damage caused by that mechanical breakdown of “electronic data processing equipment”; or
 - (d) Unexplained or indeterminable failure, malfunction or slowdown of any electronic data processing system or network, including the electronic data in such system or network, and the inability to access or properly manipulate the electronic data.
- (2) We will not pay for loss of or damage to “electronic data processing data and media” or other electronic data while being sent electronically. In addition, we will not pay for any loss that is a consequence of such loss or damage.

c. “Fine Arts”

Under the “Fine Arts” Coverage Extension, we will not pay for loss or damage caused by repair, restoration or retouching.

d. Valuable Papers And Records

Under the Valuable Papers And Records Coverage Extension, we will not pay for:

- (1) Unauthorized viewing, copying or use of electronic data (or any proprietary or confidential information or intellectual property in any form) by any person, even if such activity is characterized as theft;
- (2) Errors or omissions in processing or copying. But if errors or omissions in processing or copying result in fire or explosion, we will pay for the resulting loss or damage caused by that fire or explosion; or
- (3) Unauthorized instructions to transfer property to any person or place.

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.

- 1. The limits applicable to:
 - a. The Coverage Extensions; and
 - b. Additional Coverage **A.4.g.** Pollutant Cleanup And Removal;are in addition to the Limit Of Insurance.
- 2. Payments under the following Additional Coverages will not increase the applicable Limit Of Insurance:
 - a. Emergency Service Charges **A.4.d.**; or
 - b. Preservation Of Property **A.4.h.**

D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limits Of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit Of Insurance.

E. Additional Conditions

1. The Valuation General Condition in the Commercial Inland Marine Conditions is replaced by the following:

Valuation

When indicated by an 'X' in in the Declarations, we will determine the applicable value for Covered Property at the time of loss or damage as follows:

a. Actual Cash Value

Covered Property will be valued at the least of the following:

- (1) The actual cash value of the Covered Property;
- (2) The cost to repair or replace the Covered Property with property of similar kind and quality, and used for the same purpose; or
- (3) The Limit Of Insurance applicable to the lost or damaged Covered Property.

b. Agreed Value

The Additional Condition, Coinsurance, does not apply to Covered Property to which Agreed Value applies. We will pay no more for loss of or damage to that property than the proportion that the Limit Of Insurance under this Policy for the property bears to the Agreed Value shown for it in the Declarations, or in the most current Statement of Values on file with us.

c. Replacement Cost

Covered Property will be valued at replacement cost as of the time of loss or damage, except as otherwise provided in this Valuation Additional Condition. Replacement cost is the cost to replace Covered Property at the time of loss or damage without deduction for depreciation.

- (1) 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 on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.
- (2) We will not pay on a replacement cost basis for any loss or damage:
 - (a) Until the lost or damaged property is actually repaired or replaced; and
 - (b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage. Instead, we will pay on an actual cash value basis. This restriction does not apply to losses less than \$2,500.
- (3) We will not pay more for loss or damage on a replacement cost basis than the least of **(a)**, **(b)**, or **(c)**, subject to **(4)** below:
 - (a) The Limit Of Insurance applicable to the lost or damaged property;
 - (b) The cost to replace, at the same premises, the lost or damaged property with other property:
 - (i) Of comparable material and quality; and
 - (ii) Used for the same purpose; or
 - (c) The amount you actually spend that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a different premises, the cost described in **(b)** above is limited to the cost which would have been incurred had the building been built at the original premises.
- (4) The cost to repair, rebuild, or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

- c. "Electronic data processing equipment" will be valued at replacement cost as of the time and place of loss, in accordance with the replacement cost provisions contained in this Valuation Additional Condition. However, if replacement of "electronic data processing equipment" with comparable property is impossible, the replacement cost will be the cost of items that are similar to the damaged or destroyed equipment and intended to perform the same function, but which may include technological advances.

In no event will the value determined for:

- (1) "Electronic data processing equipment" owned by others exceed the amount for which you are liable; or
- (2) "Electronic data processing equipment" that is obsolete or no longer used by you; exceed the actual cash value of such equipment at the time of loss.

- d. "Electronic data processing data and media" will be valued at:

- (1) The cost of blank media; and
- (2) The cost of labor to copy the electronic data from a duplicate of the electronic data, but only if the lost electronic data is actually copied. The restoration of "electronic data processing data and media" for which duplicates do not exist is provided under the "Electronic Data Processing Data And Media" Additional Coverage.

- e. "Fine Arts" - loss or damage to "fine arts" covered by this insurance will be valued at either:

- (1) The cost of repairing the damaged "fine arts", plus any reduction in value of the repaired item; or
- (2) The price which the "fine arts" might reasonably be expected to realize if offered for sale by a willing seller to a willing buyer in a fair market on the date of loss or damage.

"Fine arts" not owned by you and in your care, custody or control are valued as shown in (1) and (2) above but we will not pay more than the amount for which you are legally liable.

- f. Valuable Papers And Records, including those which exist on electronic or magnetic media (other than prepackaged software programs), at the cost of:

- (1) Blank materials for reproducing the records; and
- (2) Labor to transcribe or copy the records when there is a duplicate; except as provided in the Coverage Extension.

- 2. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

- a. **Coinsurance**

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

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.

- b. **Coverage Territory**

We cover property wherever located within:

- (1) The United States of America (including its territories and possessions);

(2) Puerto Rico; and

(3) Canada.

c. Minimum Premium

You must pay at least the minimum premium shown in the Declarations.

F. Definitions

1. "Electronic data processing data and media" means:

a. Data stored on, created or used on, or transmitted to or from computer software (including systems and applications software) on electronic data processing recording or storage media such as hard or floppy disks, CDs, DVDs, flash memory, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment;

b. The electronic media on which the data is stored; and

c. Programming records and instructions used with "electronic data processing equipment".

"Electronic data processing data and media" does not mean:

(1) Prepackaged software;

(2) Property that you manufacture or hold for sale;

(3) Property that is licensed, leased, or rented to others; or

(4) Electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.

2. "Electronic data processing equipment" means any of the following equipment used in your data processing operations:

a. Electronic data processing equipment, facsimile machines, word processors, multi-functional telephone equipment and laptop and portable computers; and

b. Any component parts or peripherals of such equipment, including related surge protection devices.

"Electronic data processing equipment" does not mean:

(1) Property that is in the course of manufacture, or held for sale or distribution by you;

(2) Property that is leased or rented to others; or

(3) Equipment that is used to control or operate production-type machinery or equipment.

3. "Fine arts" means paintings, etchings, pictures, tapestries, art glass windows, valuable rugs, statuary, marbles, bronzes, antique furniture, rare books, antique silver, manuscripts, porcelains, rare glass, bric-a-brac, and similar property of rarity, historic value or artistic merit.

4. "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or by-products produced or released by fungi.

5. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

6. "Sinkhole" means a landform created by subsidence of soil, sediment, or rock as underlying strata are dissolved by groundwater. A "sinkhole" forms by collapse in subterranean voids created by dissolution of limestone or dolostone or by subsidence as these strata are dissolved.

7. "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:

a. The cost of filling sinkholes; or

b. Sinking or collapse of land into man-made underground cavities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DIFFERENCE IN CONDITIONS EXISTING DAMAGE EXCLUSION

This endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE FORM
CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

It is understood and agreed that:

- A.** This policy is not intended to and does not provide coverage for any damages which occurred:
1. Prior to policy inception regardless of whether such damages were apparent at the time of the inception of this policy; or
 2. Became apparent at a later date.
- B.** This policy is not intended to and does not provide coverage for any claims or damages arising out of:
1. Workmanship; or
 2. Repairs and/or lack of repairs;
- arising from damage which occurred prior to policy inception.
- C.** This policy does not provide coverage for any stated amount until and unless all structures covered by your previous policy have been fully and completely repaired.
- Prior to such completion of repairs, coverage will be limited to the greater of:
1. The actual cash value of the property at the time of a covered loss occurring during this policy period; or
 2. The cost of repairing the property to a state at which it existed at the time of a covered loss, provided that such repairs have been made.

This endorsement applies to all coverages under this policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DIFFERENCE IN CONDITIONS DISCHARGE FROM SEWER, DRAIN OR SUMP COVERAGE (NOT FLOOD RELATED)

This endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE FORM
CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

SCHEDULE

1. Discharge From Sewer, Drain Or Sump Limits Of Insurance	
Any One Occurrence:	\$25,000
Annual Aggregate:	\$50,000
2. Discharge From Sewer, Drain Or Sump Deductible	
Dollar Deductible:	\$25,000
Percentage Deductible:	Not Applicable
Minimum Dollar Deductible:	Not Applicable
Maximum Dollar Deductible:	Not Applicable

A. Application Of Coverage

We will pay for direct physical loss or damage to Covered Property, caused by or resulting from discharge of water or waterborne material from a sewer, drain or sump located on the described premises, provided such discharge is not induced by flood or flood-related conditions.

The aforementioned references to flood include surface water, waves (including tidal wave and tsunami), tides, tidal water, and overflow of any body of water, including storm surge.

For the purpose of this endorsement, the term drain includes a roof drain and related fixtures.

B. There is no coverage under this endorsement if:

1. The discharge results from an insured's failure to perform routine maintenance or repair necessary to keep a sewer, drain, sump, sump pump or related equipment free from obstruction and in proper working condition. This limitation does not apply to sudden mechanical breakdown of a sump pump or its related equipment, provided the breakdown is not the result of an insured's negligence; or
2. Sump pump failure is caused by or results from failure of power, unless this policy is endorsed to cover power failure affecting the described premises.

C. To the extent that the Flood Exclusion might conflict with the coverage provided under this endorsement, the Flood Exclusion does not apply to such coverage.

D. We will not pay the cost of repairing or replacing a sewer, drain, sump, sump pump or any related parts or equipment.

- E.** The most we will pay under this endorsement, for the total of all covered loss and expense, is the applicable Discharge From Sewer, Drain Or Sump Limits Of Insurance shown in the Schedule of this endorsement. Such Limit is part of, not in addition to, the Limit Of Insurance applicable to the Covered Property.
1. Any One Occurrence Limit Of Insurance is the most we will pay for covered loss or damage caused in any one occurrence.
 2. Annual Aggregate Limit Of Insurance is the most we will pay for the sum of all covered loss occurring during each separate 12-month period of this policy (starting with the beginning of the present annual policy period).
- F.** The Discharge From Sewer, Drain Or Sump Deductible shown above replaces the Deductible amount shown in the Declarations with respect to the coverage provided by this endorsement.
1. If a Dollar Deductible is indicated, the following applies:
We will not pay for loss or damage until the amount of loss or damage exceeds the Deductible. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit(s) Of Insurance.
 2. If a Percentage Deductible is indicated, the following applies:
We will not pay for loss or damage until the amount of loss or damage exceeds the Deductible, subject to the Minimum or Maximum Deductible per occurrence. We will calculate the dollar amount of the Deductible by multiplying the applicable percentage shown in the Schedule above by the value of Covered Property that sustained loss or damage. We will then pay the amount of loss or damage in excess of the Deductible, or the Minimum or Maximum Deductible per occurrence, whichever is greater, up to the applicable Limit(s) Of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DIFFERENCE IN CONDITIONS CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE FORM
CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

The following exclusion is added to Part **1.**, of Section **B. Exclusions**:

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

Cyber Incident

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DIFFERENCE IN CONDITIONS ORDINANCE OR LAW PLUS COVERAGE

This endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE FORM
CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

SCHEDULE

Coverage	Limit Of Insurance
Coverage A Applying At Each Covered Building:	Included in the Building Limit
Coverage B And C Combined Limit Of Insurance Applying To All Covered Buildings:	\$250,000

A. Application Of Coverage(s)

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

The Ordinance Or Law exclusion, Part **1.h.**, in Section **B., Exclusions**, of the applicable Coverage Form do not apply with respect to the coverage provided by this endorsement.

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

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

2. The building sustains:
 - a. Direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or
 - b. Both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

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

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of this endorsement.

B. We will not pay under this endorsement for:

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria;
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria; or
3. Loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.

C. Coverage

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

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage **A** for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage **A** is included within the Limit Of Insurance shown in the Declarations as applicable to the covered building. Coverage **A** does not increase the Limit Of Insurance.

2. Coverage B – Demolition Cost Coverage

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

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

3. Coverage C – Increased Cost Of Construction Coverage

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

- (1) Repair or reconstruct damaged portions of that building; and/or
 - (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;
- when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

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

The Coinsurance Additional Condition does not apply to Increased Cost Of Construction Coverage.

- b. When a building is damaged or destroyed and Coverage **C** applies to that building in accordance with **3.a.** above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in **3.a.**:

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Foundation of the building;
- (3) Pilings; and
- (4) Underground pipes, flues and drains.

The items listed in **b.(1)** through **b.(4)** above are deleted from Property Not Covered, but only with respect to the coverage described in this Provision, **3.b.**

D. Loss Payment

1. All following loss payment Provisions, **D.2.** and **D.3.**, are subject to the apportionment procedures set forth in Section **A.3.** of this endorsement.
2. When there is a loss in value of an undamaged portion of a building to which Coverage **A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - a. If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
 - (1) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - (2) The Limit Of Insurance shown in the Declarations as applicable to the covered building.
 - b. If the Replacement Cost Coverage Option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:
 - (1) The actual cash value of the building at the time of loss; or
 - (2) The Limit Of Insurance shown in the Declarations as applicable to the covered building.

3. Combined Limit Of Insurance Coverages B And C:

The most we will pay, for the total of all covered losses for Demolition Cost And Increased Cost Of Construction, regardless of the number of buildings involved, is the Coverage **B** And **C** Combined Limit Of Insurance Applying To All Covered Buildings shown in the Schedule of this endorsement.

Subject to this Combined Limit Of Insurance, the following loss payment provisions apply:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DIFFERENCE IN CONDITIONS COLLAPSE COVERAGE

This endorsement modifies insurance provided under the following:

DIFFERENCE IN CONDITIONS COVERAGE FORM
CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

A. Application Of Coverage

The coverage provided under this Collapse Coverage endorsement applies only to an abrupt collapse as described and limited in 1. through 7. below.

1. 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 policy or that contains Covered Property insured under this policy, 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; or
 - 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) Breakage of building glass;
 - (3) Weight of people or personal property; or
 - (4) Weight of rain that collects on a roof.
3. Collapse Coverage 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. Collapse Coverage 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. Collapse Coverage will not increase the Limits Of Insurance provided in this policy.
- B.** The Collapse Exclusion, in Part **2.** of Section **B.**, **EXCLUSIONS**, of the Coverage Form does not apply with respect to the coverage provided by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DIFFERENCE IN CONDITIONS WATER DAMAGE COVERAGE

This endorsement modifies insurance provided under the following:

- DIFFERENCE IN CONDITIONS COVERAGE FORM
- CONDOMINIUM ASSOCIATION DIFFERENCE IN CONDITIONS COVERAGE FORM

SCHEDULE

Water Damage Deductible:	\$25,000
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A. Application Of Coverage

We will pay for direct physical loss or damage to Covered Property, caused by or resulting from water damage, meaning 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 contains water or steam.

B. Water Damage Deductible

The Water Damage Deductible shown in the Schedule above replaces the Deductible amount shown in the Declarations with respect to the coverage provided by this endorsement.

We will not pay for loss or damage until the amount of loss or damage exceeds the Deductible. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit(s) Of Insurance.

C. The Water Damage Exclusion, in Part 2. of Section B., EXCLUSIONS, of the Coverage Form does not apply with respect to the coverage provided by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

SCHEDULE

Dollar Minimum Earned Premium:	
Percentage Minimum Earned Premium:	50%

Minimum Earned Premium

In the event you cancel this policy, the Minimum Earned Premium shall be the applicable minimum earned premium shown in the Schedule.

If a Percentage Minimum Earned Premium is shown in the Schedule, we will calculate the dollar amount of the minimum earned premium by multiplying the applicable percentage shown by the policy premium at the time of cancellation.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. Paragraph **5.** of Loss Condition **E. Loss Payment** in the Commercial Inland Marine Conditions is replaced by the following:

- 5.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:
- a.** 20 days after we receive the sworn proof of loss and reach written agreement with you; or
 - b.** 30 days after we receive the sworn proof of loss and:
 - (1)** There is an entry of final judgment; or
 - (2)** There is a filing of an appraisal award with us.

Paragraph **A.** does not apply to the Mail Coverage Form.

B. The following provisions are added to Loss Condition **C. Duties In The Event Of Loss** in the Commercial Inland Marine Conditions:

- 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 Coverage Part 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 Coverage Part 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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
STANDARD PROPERTY POLICY

- A.** We will not pay for loss ("loss") or damage caused directly or indirectly by the following. Such loss ("loss") or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss ("loss") or damage.
- 1.** The failure, malfunction or inadequacy of:
 - a.** Any of the following, whether belonging to any insured or to others:
 - (1)** Computer hardware, including micro-processors;
 - (2)** Computer application software;
 - (3)** Computer operating systems and related software;
 - (4)** Computer networks;
 - (5)** Microprocessors (computer chips) not part of any computer system; or
 - (6)** Any other computerized or electronic equipment or components; or
 - b.** Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph **A.1.a.** of this endorsement;

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
 - 2.** Under the Commercial Property Coverage Part:
 - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
 - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BOILER AND MACHINERY COVERAGE PART
 COMMERCIAL INLAND MARINE COVERAGE PART
 COMMERCIAL PROPERTY COVERAGE PART
 CRIME AND FIDELITY COVERAGE PART
 EQUIPMENT BREAKDOWN COVERAGE PART
 FARM COVERAGE PART
 STANDARD PROPERTY POLICY

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph **C**) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
FL	COMMERCIAL INLAND MARINE
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. The following definition is 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:

1. 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
2. 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.

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified 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.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph **B.** applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage 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.

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

D. Application Of Other Exclusions

The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this Coverage Part or Policy, such as losses excluded by the Nuclear Hazard Exclusion or the War And Military Action Exclusion.



Wilshire Insurance Company

NOTICE OF DISCLOSURE FOR AGENT, BROKER & MANAGING GENERAL AGENCY COMPENSATION

If you want to learn more about the compensation IAT pays agents, brokers or managing general agencies please visit:

<https://www.iatinsurancegroup.com/docs/default-source/legal/producer-compensation-disclosure.pdf>.

This notice is provided on behalf of IAT Insurance Group and Wilshire Insurance Company

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.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – LEGAL ACTION AGAINST US

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART

The following replaces the second paragraph of the **Legal Action Against Us** Condition:

LEGAL ACTION AGAINST US

Legal action against us involving direct physical loss or damage to property must be brought within 5 years from the date the loss occurs.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FLORIDA CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
STANDARD PROPERTY POLICY

A. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

2. Cancellation For Policies In Effect 60 Days Or Less

a. If this policy has been in effect for 60 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. We may not cancel:

(1) On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

(2) Solely on the basis of a single property insurance claim which is the result of water damage, unless 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.

B. Paragraph **5.** of the **Cancellation** Common Policy Condition is replaced by the following:

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. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 60 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

C. The following is added to the **Cancellation Common Policy Condition**:

7. Cancellation For Policies In Effect For More Than 60 Days

a. If this policy has been in effect for more than 60 days, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The policy was obtained by a material misstatement;
- (3) In the event of failure to comply, within 60 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;
- (4) There has been a substantial change in the risk covered by the policy;
- (5) The cancellation is for all insureds under such policies for a given class of insureds;
- (6) On the basis of property insurance claims that are the result of an act of God, if we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- (7) On the basis of a single property insurance claim which is the result of water damage, 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; or
- (8) The cancellation of some or all of our policies is necessary to protect the best interests of the public or policyholders and such cancellation is approved by the Florida Office of Insurance Regulation.

b. If we cancel this policy for any of these reasons, 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;

(2) 45 days before the effective date of cancellation if:

- (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above, and this policy does not cover a residential structure or its contents; or
- (b) Cancellation is based on the reason stated in Paragraph **7.a.(8)** above;

(3) 120 days before the effective date of cancellation if:

- (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above; and
- (b) This policy covers a residential structure or its contents.

c. If this policy has been in effect for more than 60 days and covers a residential structure or its contents, we may not cancel this policy based on credit information available in public records.

D. The following is added:

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:

- a. 45 days prior to the expiration of the policy if this policy does not cover a residential structure or its contents, or if nonrenewal is for the reason stated in Paragraph **D.5.**; or
- b. 120 days prior to the expiration of the policy if this policy covers a residential structure or its contents.

2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. We may not refuse to renew this policy:

- a. On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

b. On the basis of filing of claims for sinkhole loss. However, we may refuse to renew this policy if:

(1) The total of such property insurance claim payments for this policy equals or exceeds the policy limits in effect on the date of loss for property damage to the covered building; or

(2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based; or

c. Solely on the basis of a single property insurance claim which is the result of water damage, unless 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.

4. Notwithstanding the provisions of Paragraph **D.3.**, we may refuse to renew this policy if this policy includes Sinkhole Loss coverage. If we nonrenew this policy for purposes of removing Sinkhole Loss coverage, pursuant to section 627.706, Florida Statutes, we will offer you a policy that includes catastrophic ground cover collapse coverage.

5. Notwithstanding the provisions of Paragraph **D.3.**, we may refuse to renew this policy if nonrenewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and such nonrenewal is approved by the Florida Office of Insurance Regulation.

E. Limitations On Cancellation And Nonrenewal In The Event Of Hurricane Or Wind Loss – Residential Property

1. The following provisions apply to a policy covering a residential structure or its contents:

a. Except as provided in Paragraph **E.1.b.**:

(1) If a state of emergency is declared, and the residential structure or its contents have been damaged as a result of a hurricane or wind loss that is the subject of the declaration of emergency by the Governor and the Commissioner of Insurance Regulation files an Emergency Order, we may not cancel or nonrenew the policy until at least 90 days after the residential structure or its contents have been repaired. If we elect to not renew the policy, we will provide at least 120 days' notice that we intend to nonrenew 90 days after the substantial completion of repairs.

(2) If the residential structure or its contents have been damaged as a result of a covered peril, other than hurricane or wind loss subject to Paragraph **1.a.(1)** above, we may not cancel or nonrenew the policy until either the dwelling or residential property has been repaired or one year after we issue the final claim payment, whichever comes first.

b. We may cancel or nonrenew the policy prior to restoration of the structure or its contents for any of the following reasons:

(1) Nonpayment of premium;

(2) Material misstatement or fraud related to the claim;

(3) We determine that you have unreasonably caused a delay in the repair of the structure; or

(4) We have paid the policy limits.

If we cancel or nonrenew for nonpayment of premium, we will give you 10 days' notice. If we cancel or nonrenew for a reason listed in Paragraph **b.(2)**, **b.(3)** or **b.(4)**, we will give you 45 days' notice.

2. With respect to a policy covering a residential structure or its contents, any cancellation or nonrenewal that would otherwise take effect during the duration of a hurricane will not take effect until the end of the duration of such hurricane, unless a replacement policy has been obtained and is in effect for a claim occurring during the duration of the hurricane. We may collect premium for the period of time for which the policy period is extended.

3. With respect to Paragraph **E.2.**, a hurricane is a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service (hereafter referred to as NHC). The hurricane occurrence begins at the time a hurricane warning is issued for any part of Florida by the NHC and ends 72 hours after the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the NHC.