



STATE FARM FIRE AND CASUALTY COMPANY
A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 2915
Bloomington IL 61702-2915

Named Insured

002418 3123 M-20-0002-FC06 F V
WAPITI COMMONS HOMEOWNERS
ASSOCIATION, INC
1430 RAILROAD AVE STE A
RIFLE CO 81650-3334



DECLARATIONS COVERAGE SUMMARY APR 30 2025

Policy Number	96-E5-C614-1	
Policy Period	Effective Date	Expiration Date
12 Months	FEB 8 2025	FEB 8 2026
The policy period begins and ends at 12:01 am standard time at the premises location.		

Agent and Mailing Address
CLOUD INS AND FIN SVCS INC
227 E CODY LN UNIT 201
BASALT CO 81621-7601
PHONE: (970) 927-0419

ST-2
0122-2000

Residential Community Association Policy

Automatic Renewal - If the policy period is shown as 12 months, this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Entity: Corporation
Requested By: Policyholder

Policy Premium	\$ 12,440.00
Disaster Mitigation	\$ 2.00
Total Amount	\$ 12,442.00

Discounts Applied:
Age of Building
Multiple Unit
Sprinkler

Prepared
APR 30 2025
CMP-4000
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DECLARATIONS (CONTINUED)

Residential Community Association Policy for WAPITI COMMONS HOMEOWNERS
Policy Number 96-E5-C614-1

SECTION I - PROPERTY BLANKET

Coverage A - Buildings
Coverage B - Business Personal Property

Limit of Insurance*
\$ 3,402,700
\$ 1,200

Location Number	Location of Described Premises
001	751 SMITH ST RIFLE CO 81650-8300
002	755 SMITH ST RIFLE CO 81650-8300
003	765 SMITH ST RIFLE CO 81650-8300
004	761 SMITH ST RIFLE CO 81650-8300
005	751 SMITH ST RIFLE CO 81650-8300
006	785 SMITH ST RIFLE CO 81650-8301

* As of the effective date of this policy, the Limit of Insurance as shown includes any increase in the limit due to Inflation Coverage.

SECTION I - INFLATION COVERAGE INDEX(ES)

Inflation Coverage Index: 289.7

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DECLARATIONS (CONTINUED)

Residential Community Association Policy for WAPITI COMMONS HOMEOWNERS
Policy Number 96-E5-C614-1

SECTION I - DEDUCTIBLES

Basic Deductible \$2,500

Special Deductibles:

Wind/Hail	2%	Money and Securities	\$250
Employee Dishonesty	\$250	Equipment Breakdown	\$2,500

Other deductibles may apply - refer to policy.

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH DESCRIBED PREMISES

The coverages and corresponding limits shown below apply separately to each described premises shown in these Declarations, unless indicated by "See Schedule." If a coverage does not have a corresponding limit shown below, but has "Included" indicated, please refer to that policy provision for an explanation of that coverage.

COVERAGE	LIMIT OF INSURANCE
Collapse	Included
Damage To Non-Owned Buildings From Theft, Burglary Or Robbery	Coverage B Limit
Debris Removal	25% of covered loss
Equipment Breakdown	Included
Fire Department Service Charge	\$5,000
Fire Extinguisher Systems Recharge Expense	\$5,000
Glass Expenses	Included
Increased Cost Of Construction And Demolition Costs (applies only when buildings are insured on a replacement cost basis)	10%
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business Personal Property)	\$100,000
Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Buildings)	\$250,000

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DECLARATIONS (CONTINUED)

Residential Community Association Policy for WAPITI COMMONS HOMEOWNERS
Policy Number 96-E5-C814-1

Ordinance Or Law - Equipment Coverage	Included
Preservation Of Property	30 Days
Water Damage, Other Liquids, Powder Or Molten Material Damage	Included

SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - EACH COMPLEX

The coverages and corresponding limits shown below apply separately to each complex as described in the policy.

COVERAGE	LIMIT OF INSURANCE
Accounts Receivable	
On Premises	\$50,000
Off Premises	\$15,000
Arson Reward	\$5,000
Forgery Or Alteration	\$10,000
Money And Securities (Off Premises)	\$5,000
Money And Securities (On Premises)	\$10,000
Money Orders And Counterfeit Money	\$1,000
Outdoor Property	\$5,000
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Personal Property Off Premises	\$15,000
Pollutant Clean Up And Removal	\$10,000
Property Of Others (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500
Signs	\$2,500
Valuable Papers And Records	
On Premises	\$10,000
Off Premises	\$5,000

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DECLARATIONS (CONTINUED)

Residential Community Association Policy for WAPITI COMMONS HOMEOWNERS
Policy Number 96-E5-C614-1



SECTION I - EXTENSIONS OF COVERAGE - LIMIT OF INSURANCE - PER POLICY

The coverages and corresponding limits shown below are the most we will pay regardless of the number of described premises shown in these Declarations.

COVERAGE	LIMIT OF INSURANCE
Back-Up of Sewer or Drain	Included
Employee Dishonesty	\$25,000
Loss Of Income And Extra Expense	Actual Loss Sustained - 12 Months

SECTION II - LIABILITY

COVERAGE	LIMIT OF INSURANCE
Coverage L - Business Liability	\$1,000,000
Coverage M - Medical Expenses (Any One Person)	\$10,000
Damage To Premises Rented To You	\$300,000
AGGREGATE LIMITS	LIMIT OF INSURANCE
Products/Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000

Each paid claim for Liability Coverage reduces the amount of insurance we provide during the applicable annual period. Please refer to Section II - Liability in the Coverage Form and any attached endorsements.

DECLARATIONS (CONTINUED)

Residential Community Association Policy for WAPITI COMMONS HOMEOWNERS
Policy Number 96-E5-C614-1

Your policy consists of these Declarations, the BUSINESSOWNERS COVERAGE FORM shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

FORMS AND ENDORSEMENTS

CMP-4100	Businessowners Coverage Form
CMP-4561.4	Policy Endorsement
CMP-4705.2	Loss of Income & Extra Expnse
CMP-4550	Residential Community Assoc
CMP-4206.2	Amendatory Endorsement
CMP-4710	Employee Dishonesty
CMP-4746.1	Hired Auto Liability
FE-3650	Actual Cash Value Endorsement
CMP-4508	Money and Securities
CMP-4829	Guaranteed Replacement Cost
CMP-4769	Addl Condo Prop Not Covered
CMP-4849	Windstorm or Hail Deductible
FE-6999.3	Terrorism Insurance Cov Notice
CMP-4862	Building Ordinance or Law Cov
FD-6007	Inland Marine Attach Dec

SCHEDULE OF ADDITIONAL INTERESTS

Interest Type: Mortgagee
Endorsement #: N/A
Loan Number: N/A

USDA RURAL DEVELOPMENT
CUSTOMER SERVICE CENTER ATTN
INSURANCE DEPARTMENT
PO BOX 66876
SAINT LOUIS MO 63166-6876

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DECLARATIONS (CONTINUED)

Residential Community Association Policy for WAPITI COMMONS HOMEOWNERS
Policy Number 96-E5-C614-1



This policy is issued by the State Farm Fire and Casualty Company.

Participating Policy

You are entitled to participate in a distribution of the earnings of the company as determined by our Board of Directors in accordance with the Company's Articles of Incorporation, as amended.

In Witness Whereof, the State Farm Fire and Casualty Company has caused this policy to be signed by its President and Secretary at Bloomington, Illinois.

Michele Mancias
Secretary

State Farm
President

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APR 30 2025
CMP-4000

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THE FOLLOWING INFORMATION IS FOR YOUR INFORMATION ONLY. IT IS NOT TO BE USED FOR ANY OTHER PURPOSE. IT IS NOT TO BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, INCLUDING PHOTOCOPYING, RECORDING, OR BY ANY INFORMATION STORAGE AND RETRIEVAL SYSTEM, WITHOUT THE WRITTEN PERMISSION OF THE UNITED STATES DEPARTMENT OF JUSTICE.



STATE FARM FIRE AND CASUALTY COMPANY
A STOCK COMPANY WITH HOME OFFICES IN BLOOMINGTON, ILLINOIS

Po Box 2915
Bloomington IL 61702-2915

Named Insured

M-20-0002-FC06 F V

WAPITI COMMONS HOMEOWNERS
ASSOCIATION, INC
1430 RAILROAD AVE STE A
RIFLE CO 81650-3334



INLAND MARINE ATTACHING DECLARATIONS

Policy Number	96-E5-C614-1	
Policy Period	Effective Date	Expiration Date
12 Months	FEB 8 2025	FEB 8 2026
The policy period begins and ends at 12:01 am standard time at the premises location.		

ST-2
0522-2000

ATTACHING INLAND MARINE

Automatic Renewal - If the **policy period** is shown as **12 months** , this policy will be renewed automatically subject to the premiums, rules and forms in effect for each succeeding policy period. If this policy is terminated, we will give you and the Mortgagee/Lienholder written notice in compliance with the policy provisions or as required by law.

Annual Policy Premium Included

The above Premium Amount is included in the Policy Premium shown on the Declarations.

Your policy consists of these Declarations, the INLAND MARINE CONDITIONS shown below, and any other forms and endorsements that apply, including those shown below as well as those issued subsequent to the issuance of this policy.

Forms, Options, and Endorsements

FE-8743.1 Inland Marine Computer Prop
FE-8739 Inland Marine Conditions

See Reverse for Schedule Page with Limits

Prepared
APR 30 2025
FD-6007

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ATTACHING INLAND MARINE SCHEDULE PAGE

ATTACHING INLAND MARINE

ENDORSEMENT NUMBER	COVERAGE	LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT	ANNUAL PREMIUM
FE-8743.1	Inland Marine Computer Prop	\$ 10,000	\$ 500	Included
	Loss of Income and Extra Expense	\$ 10,000		Included

OTHER LIMITS AND EXCLUSIONS MAY APPLY - REFER TO YOUR POLICY

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APR 30 2025
FD-6007

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

1. BUSINESSOWNERS COVERAGE FORM TABLE OF CONTENTS is amended as follows:

- a. The title Electronic Data is changed to Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability.
- b. The title Recording And Distribution Of Material or Information In Violation Of Law is changed to Recording And Distribution Of Material.

2. Paragraph 2.f. Dishonesty under SECTION I – EXCLUSIONS is replaced by the following:

f. Dishonesty

- (1) Dishonest or criminal acts by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees, directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or
- (2) 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.

This exclusion does not apply to acts of destruction by your employees; but theft by your employees is not covered.

With respect to accounts receivable and "valuable papers and records", this exclusion does not apply to carriers for hire.

3. SECTION I — EXTENSIONS OF COVERAGE is amended as follows:

- a. Paragraph 4.a.(1) under Collapse is replaced by the following:
 - (1) Collapse means an abrupt falling down or caving in of a building or any part of a building;
- b. Paragraph 5. is replaced by the following:

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

If loss caused by covered water or other liquid, powder, or molten material occurs, we will also pay the cost to tear out and replace only that particular part of the covered building or structure necessary to gain access to the specific point of that system or appliance from which the water or other substance escaped.

We will not pay the cost to repair any defect that caused the loss; but we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

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

The amount we pay under this Extension of Coverage will not increase the applicable Limit of Insurance.

- c. Paragraph 13. is replaced by the following:

13. Personal Property Off Premises

You may extend the insurance provided by this coverage form to apply to Covered Property, other than "money" and "securities", "valuable papers and records", or accounts receivable, while it is in the course of transit or at another premises. The most we will pay for loss in any one occurrence under this Extension Of Coverage is the Limit Of Insurance for Personal Property Off Premises shown in the Declarations.

The amount we pay under this Extension Of Coverage is an additional amount of insurance.

If the Covered Property is located at another premises you own, lease, operate, or regularly use, the insurance provided under this extension applies only if the loss occurs within 90 days after the property is first moved.

The Other Insurance Condition contained in SECTION I AND SECTION II — COMMON POLICY CONDITIONS does not apply to this Extension Of Coverage. The insurance provided under this Extension Of Coverage is primary and does not contribute with any other insurance.

- d. The following is added to Paragraph 22.e. under Equipment Breakdown:

Paragraph 5.b. under Coverage B – Business Personal Property is replaced by:

- b. Be your responsibility to maintain or insure according to the terms of your lease or rental agreement.

- e. The following is added:

Business Personal Property In Portable Storage Units

You may extend the insurance provided by this coverage form to apply to Business Personal Property, other than "money" and "securities", "valuable papers and records", or accounts receivable, while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the described premises. The most we will pay for loss under this Extension Of Coverage is \$10,000.

The amount we pay under this Extension Of Coverage will not increase the applicable Limit Of Insurance.

Coverage will end 90 days after Business Personal Property has been placed in the storage unit. Coverage does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the Business Personal Property has been stored there for 90 or fewer days at the time of loss.

4. SECTION II — LIABILITY is amended as follows:

a. Section II – Exclusions is amended as follows:

- (1) The following is added to Paragraph 3. **Liquor Liability**:

This exclusion applies even if the claims allege negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by an insured, or providing or failing to provide transportation with respect to any person that may be under the influence of alcohol if the "occurrence" which caused the "bodily injury" or "property damage" involved that which is described in Paragraph 3.a.

- (2) Paragraph 8.f. under **Aircraft, Auto Or Watercraft** is replaced by the following:

- f. "Bodily injury" or "property damage" arising out of:

- (1) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged;

- (2) The operation of any of the following machinery or equipment:

- (a) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (b) Air compressors, pumps, and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or

- (3) The operation of your business from a land vehicle:

- (a) While it is parked and functioning, other than "loading and unloading", as a premises for your business operations; and

- (b) That would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

- (3) Paragraphs 17.b. and 17.c. under **Personal And Advertising Injury** are replaced by the following:

- b. Arising out of oral or written publication of material, in any manner, if done by or at the direction of the insured with knowledge of its falsity;

- c. Arising out of oral or written publication of material, in any manner, whose first publication took place before the beginning of the policy period;

- (4) The last paragraph of 17.h. under **Personal And Advertising Injury** is replaced by the following:

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting;

- (5) Paragraphs 18. **Electronic Data** and 19. **Recording And Distribution Of Material In Violation Of Law** are replaced by the following:

18. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability

- a. Damages arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade

secrets, processing methods, customer lists, financial information, credit card information, health information, or any other type of nonpublic information; or

- b. Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses, or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph a. or b. above.

As used in this exclusion, electronic data means information, facts, or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices, or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve, or send data.

19. Recording and Distribution of Material

Damages arising directly or indirectly out of any communication, by or on behalf of any insured, that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), CAN-SPAM Act of 2003, Fair Credit Reporting Act (FCRA), or Fair and Accurate Credit Transaction Act (FACTA); including any regulations and any amendment of or addition to such statutes;
- b. Any federal, state or local law, statute, ordinance, or regulation, in addition to Paragraph a. above, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating, or distribution of material or information; or

- c. Any other federal, state or local law, statute, ordinance, or regulation that may provide a basis for a separate claim or cause of action arising out of any communication referenced in Paragraphs a. or b. above.

- b. Paragraph 1.d.(2) under Coverage M – Medical Expenses of SECTION II – MEDICAL EXPENSES is replaced by the following:

- (2) Executes authorization to allow us to obtain copies of medical bills, medical records, and any other information we deem necessary to substantiate the claim.

Such authorizations must not:

- (a) Restrict us from performing our business functions in:
 - i. Obtaining records, bills, information, and data; or
 - ii. Using or retaining records, bills, information, and data collected or received by us;
- (b) Require us to violate federal or state laws or regulations;
- (c) Prevent us from fulfilling our data reporting and data retention obligations to insurance regulators; or
- (d) Prevent us from disclosing claim information and data:
 - i. To enable performance of our business functions;
 - ii. To meet our reporting obligations to insurance regulators;
 - iii. To meet our reporting obligations to insurance data consolidators; and
 - iv. As otherwise permitted by law.

If the holder of the information refuses to provide it to us despite the authorization, then at our request the person making claim or his or her legal representative must obtain the information and promptly provide it to us; and

- c. SECTION II — WHO IS AN INSURED is amended as follows:

- (1) Paragraph 1.c. does not apply.
- (2) Paragraphs 2.b.(1) and (4) are replaced by the following:
 - (1) "Employees" with respect to "bodily injury" to:

- (a) Any co-"employee" arising out of and in the course of the co-"employee's" employment or while performing duties related to the conduct of your business; or
- (b) The spouse, child, parent, brother, or sister of that co-"employee" as a consequence of Paragraph (a) above;
- (4) The owner of a "non-owned auto" or any agent of or any person or entity employed by such owner.
- d. Paragraph 2.b. under **Financial Responsibility Laws** of **SECTION II — GENERAL CONDITIONS** does not apply.
- e. **SECTION II — DEFINITIONS** is amended as follows:
 - (1) Paragraph 2. is replaced by the following:
 - 2. "Auto" means:
 - a. A land motor vehicle, trailer, or semi-trailer designed for travel on public roads, including any attached machinery or equipment; or
 - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- (2) The following is added to Paragraph 15. "mobile equipment":

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance or motor vehicle registration where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law or motor vehicle registration law are considered "autos".

- 5. The following is added to **SECTION I AND SECTION II — COMMON POLICY CONDITIONS**:

Our Rights Regarding Claim Information

- a. We will collect, receive, obtain, use, and retain all the items described in Paragraph b.(1) below and use and retain the information described in Paragraph b.(3)(b) below, in accordance with applicable federal and state laws and regulations and consistent with the performance of our business functions.
- b. Subject to Paragraph a. above, we will not be restricted in or prohibited from:
 - (1) Collecting, receiving, or obtaining records, receipts, invoices, medical bills, medical records, wage information, salary information, employment information, data, and any other information;
 - (2) Using any of the items described in Paragraph b.(1) above; or
 - (3) Retaining:
 - (a) Any of the items in Paragraph b.(1) above; or
 - (b) Any other information we have in our possession as a result of our processing, handling, or otherwise resolving claims submitted under this policy.
- c. We may disclose any of the items in Paragraph b.(1) above and any of the information described in Paragraph b.(3)(b) above:
 - (1) To enable performance of our business functions;
 - (2) To meet our reporting obligations to insurance regulators;
 - (3) To meet our reporting obligations to insurance data consolidators;
 - (4) To meet other obligations required by law; and
 - (5) As otherwise permitted by law.
- d. Our rights under Paragraphs a., b., and c. above shall not be impaired by any:
 - (1) Authorization related to any claim submitted under this policy; or
 - (2) Act or omission of an insured or a legal representative acting on an insured's behalf.

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CMP-4705.2 LOSS OF INCOME AND EXTRA EXPENSE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The coverage provided by this endorsement is subject to the provisions of **SECTION I — PROPERTY**, except as provided below.

COVERAGES

1. Loss Of Income

- a. We will pay for the actual "Loss Of Income" you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by accidental direct physical loss to property at the described premises. The loss must be caused by a Covered Cause Of Loss. With respect to loss to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

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

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

- b. We will only pay for "Loss Of Income" that you sustain during the "period of restoration" that occurs after the date of accidental direct physical loss and within the number of consecutive months for Loss Of Income And Extra Expense shown in the Declarations. We will only pay for "ordinary payroll expenses" for 90 days following the date of accidental direct physical loss.

2. Extra Expense

- a. We will pay necessary "Extra Expense" you incur during the "period of restoration" that you would not have incurred if there had been no accidental direct physical loss to property at the described premises. The loss must be caused by a Covered Cause Of Loss. With respect to loss to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

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

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

- b. We will only pay for "Extra Expense" that occurs after the date of accidental direct physical loss and within the number of consecutive months for Loss Of Income And Extra Expense shown in the Declarations.

3. Extended Loss Of Income

- a. If the necessary "suspension" of your "operations" produces a "Loss Of Income" payable under this policy, we will pay for the actual "Loss Of Income" you incur during the period that:
 - (1) Begins on the date property, except finished stock, is actually repaired, rebuilt or replaced and "operations" are resumed; and

(2) Ends on the earlier of:

- (a)** The date you could restore your "operations", with reasonable speed, to the level which would generate the Net Income amount that would have existed if no accidental direct physical loss had occurred; or
- (b)** 60 consecutive days after the date determined in Paragraph **a.(1)** above.

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

- b.** "Loss Of Income" must be caused by accidental direct physical loss at the described premises caused by any Covered Cause Of Loss.

4. Civil Authority

- a.** When a Covered Cause Of Loss causes damage to property other than property at the described premises, we will pay for the actual "Loss Of Income" you sustain and necessary "Extra Expense" caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:
 - (1)** Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
 - (2)** The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause Of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- b.** Civil Authority coverage for "Loss Of Income" will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

- c.** Civil Authority coverage for necessary "Extra Expense" will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:
 - (1)** Four consecutive weeks after the date of that action; or
 - (2)** When your Civil Authority coverage for "Loss Of Income" ends;

whichever is later.

EXTENSIONS OF COVERAGE**1. Newly Acquired Property**

- a.** You may extend the insurance provided by this endorsement to apply to newly acquired or constructed property covered as described in Paragraph **12.** of **SECTION I — EXTENSIONS OF COVERAGE** of your policy.
- b.** The most we will pay in any one occurrence under this coverage for "Loss Of Income" and necessary "Extra Expense" is the actual loss you sustain.

2. Interruption Of Web Site Operations

- a.** You may extend the insurance provided by this endorsement to apply to the necessary interruption of your business. The interruption must be caused by an accidental direct physical loss to your Web Site Operations at the premises of a vendor acting as your service provider.

Such interruption must be caused by a Covered Cause Of Loss other than a loss covered under Equipment Breakdown Extension Of Coverage of your Business-owners Coverage Form.

(1) Coverage Time Period

We will only pay for loss you sustain during the seven-day period immediately following the first 12 hours after the Covered Cause Of Loss.

(2) Conditions

- (a)** This coverage applies only if you have a back-up copy of your Web Site stored at a location other than the site of the Web Site vendor and to the extent "Loss Of Income" is permanently lost.
- (b)** Notwithstanding any provision to the contrary, the coverage provided under this Interruption Of Web Site

Operations Extension Of Coverage is primary to any LOSS OF INCOME AND EXTRA EXPENSE coverage provided by the **Inland Marine Computer Property Form**.

- b. The most we will pay in any one occurrence under this coverage is \$10,000.

3. Off Premises – Loss Of Income

- a. You may extend the insurance provided by this endorsement to apply to the necessary "suspension" of your business. The "suspension" must be caused by an accidental direct physical loss to Covered Property while it is in the course of transit or at another premises.

If the Covered Property is located at another premises you own, lease, operate, or regularly use, the insurance provided under this extension applies only if the loss occurs within 90 days after the property is first moved.

We will only pay for loss you sustain during the period beginning immediately after the time of accidental direct physical loss caused by any Covered Cause Of Loss and ending when the property should be repaired, rebuilt or replaced with reasonable speed and similar quality.

- b. The most we will pay in any one occurrence under this coverage is \$20,000.

EXCLUSIONS

We will not pay for:

1. Any "Extra Expense", or increase of "Loss Of Income", caused by:
 - a. Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers, picketers, or any others charged with rebuilding, repairing, or replacing property; or
 - b. Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of your "operations", we will cover such loss that affects your "Loss Of Income" during the "period of restoration".
2. Any other consequential loss.

CONDITION

Resumption Of Operations

We will reduce the amount of your:

1. "Loss Of Income", other than "Extra Expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
2. "Extra Expense" loss to the extent you can return "operations" to normal and discontinue such "Extra Expense".

DEDUCTIBLE

No deductible applies to the coverage provisions provided in this "Loss Of Income" endorsement.

However, for any loss covered under Paragraph 22.b.(4) of the Equipment Breakdown Extension Of Coverage of your policy, the Special Deductible for Equipment Breakdown will apply to this "Loss Of Income".

DEFINITIONS

1. "Extra Expense" means expense incurred:
 - a. To avoid or minimize the "suspension" of business and to continue "operations":
 - (1) At the described premises; or
 - (2) At replacement premises or at temporary locations, including relocation expenses, and costs to equip and operate the replacement or temporary locations;
 - b. To minimize the "suspension" of business if you cannot continue "operations"; or
 - c. To:
 - (1) Repair or replace any property; or
 - (2) Research, replace or restore the lost information on damaged "valuable papers and records"

to the extent it reduces the amount of loss that otherwise would have been payable under this coverage or "Loss Of Income" coverage.

2. "Loss Of Income" means the sum of the amounts as described in a. and b. below:
 - a. Net Income (net profit or loss before income taxes) that would have been earned or incurred if no accidental direct physical loss had occurred, including:
 - (1) "Rental value";

- (2) "Maintenance fees", if you are a condominium association or other similar community association;
- (3) Total receipts and contributions (less operating expenses) normally received during the period of disruption of operations; and
- (4) Tuition and fees from students, including fees from room, board, laboratories and other similar sources.

Net Income does not include any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause Of Loss on customers or on other businesses.

- b. Continuing normal operating expenses incurred, including "ordinary payroll expenses".
3. "Maintenance fees" means the regular payment made to you by unit-owners and used to service the common property.
 4. "Operations" means your business activities occurring at the described premises.
 5. "Ordinary payroll expenses":
 - a. Mean payroll expenses for all your employees except:
 - (1) Officers;
 - (2) Executives;
 - (3) Department Managers; and
 - (4) Employees under contract.
 - b. Include:
 - (1) Payroll;
 - (2) Employee benefits, if directly related to payroll;
 - (3) FICA payments you pay;
 - (4) Union dues you pay; and
 - (5) Workers' compensation premiums.
 6. "Period of restoration":
 - a. Means the period of time that:

- (1) Begins immediately after the time of accidental direct physical loss caused by any Covered Cause Of Loss at the described premises; and

- (2) Ends on the earlier of:

- (a) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (b) The date when business is resumed at a new permanent location.

- b. Does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

7. "Rental value" means:

- a. The total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you;
- b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
- c. The fair rental value of any portion of the described premises which is occupied by you.

8. "Suspension" means:

- a. The partial slowdown or complete cessation of your business activities; or
- b. That a part or all of the described premises is rendered untenable, if coverage for "Loss Of Income" applies.

All other policy provisions apply.

FE-8743.1 INLAND MARINE COMPUTER PROPERTY FORM

INSURING AGREEMENT

We will pay for accidental direct physical loss to:

1. "Computer equipment", used in your business operations, that you own, lease from others, rent from others, or that is loaned to you. However, we do not insure "computer equipment" used to operate or control vehicles.
2. Removable data storage media used in your business operations to store "electronic data".

We do not insure property you lease to others or rent to others.

We do not insure "computer programs" or "electronic data" except as provided in the Computer Programs And Electronic Data Extension Of Coverage.

LIMIT OF INSURANCE

We will pay for all covered loss up to the limits shown on the Schedule Page.

DEDUCTIBLE

The deductible amount shown on the Schedule Page will only apply to the property covered under this form. This amount will be deducted from the amount of any loss under this coverage.

EXCLUSIONS

1. We do not insure under any coverage for any loss to any property while in transit as checked baggage on a commercial airline;
2. We do not insure for loss either consisting of, or caused by, one or more of the following:
 - a. Errors and omissions in programming. However, we do insure for any resulting loss unless the resulting loss itself is excluded;
 - b. Faulty, inadequate, unsound or defective design, specifications, workmanship, or repair. However, we do insure for any resulting loss unless the resulting loss itself is excluded;
 - c. Wear, tear, marring, scratching, rust, corrosion or deterioration. However, we do insure for any resulting loss unless the resulting loss itself is excluded;
 - d. Property that is missing, where the only evidence of the loss is a shortage disclosed on taking inventory, or other instances

where there is no physical evidence to show what happened to the property;

- e. Any dishonest or criminal act occurring at any time by you, any of your partners, employees, directors, or trustees;
- f. Hidden or latent defect or any quality in property that causes it to damage or destroy itself. However, we do insure for any resulting loss unless the resulting loss itself is excluded; or
- g. Obsolescence;
3. We do not insure under any coverage for any loss which would not have occurred in the absence of one or more of the following excluded events. We do not insure for such loss regardless of: (a) the cause of the excluded event; or (b) other causes of the loss; or (c) whether other causes acted concurrently or in any sequence with the excluded event to produce the loss; or (d) whether the event occurs suddenly or gradually, involves isolated or widespread damage, arises from natural or external forces, or occurs as a result of any combination of these:

a. Fungi

Growth, proliferation, spread or presence of "fungi", including:

- (1) Any loss of use or delay in repairing or replacing covered property, including any associated cost or expense, due to interference at the location of the covered property or at the location of the repair or replacement of that property by "fungi";
- (2) Any remediation of "fungi", including the cost or expense to:
 - (a) Remove the "fungi" from covered property or to repair, restore or replace that property;
 - (b) Take apart and repair any property as needed to gain access to the "fungi";
 - (c) Contain, treat, detoxify, neutralize or dispose of or in any way respond to or assess the effects of the "fungi"; or

- (d) Remove any property to protect it from the presence of or exposure to "fungi"; and
- (3) The cost of any testing or monitoring of air or property to confirm the type, absence, presence or level of "fungi", whether performed prior to, during, or after removal, repair, restoration or replacement of covered property.
- b. Governmental Action**
Seizure or destruction of property by order of governmental authority.
But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread.
- c. Nuclear Hazard**
Nuclear reaction or radiation, or radioactive contamination. Loss caused by the nuclear hazard will not be considered loss caused by fire, explosion or smoke.
But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the loss caused by that fire.
- d. 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.

EXTENSIONS OF COVERAGE

1. Computer Programs And Electronic Data

- a. We will pay for accidental direct loss to:
 - (1) The following types of "computer programs" and "electronic data" that you own, license from others, lease from others, or rent from others:
 - (a) "Computer programs" used in your business operations; or
 - (b) The "electronic data" that exists in "computer" memory or on "computer" storage media, used in your business operations.
 - (2) That portion of your customers' "electronic data" that is supplied to you for

processing or other use in your business operations. Coverage for customers' "electronic data" is limited to the specific data file(s) containing the information you are processing or using in your business operations.

We do not cover any property you lease to others, rent to others or license to others. We do not cover "computer equipment" or removable data storage media under this Extension Of Coverage. This coverage extension is included in the Limit Of Insurance shown on the Schedule Page.

Loss does not include any consequential loss except as may be provided in the optional Loss Of Income And Extra Expense coverage.

- b. All items under the EXCLUSIONS section of this form apply to this Extension Of Coverage except:
 - (1) Item a. in Paragraph 2. does not apply to:
 - (a) "Computer programs" other than the program in which the error or omission in programming occurs; and
 - (b) "Electronic data"; covered under this extension;
 - (2) Item b. in Paragraph 2. does not apply to "electronic data" covered under this extension; and
 - (3) Items c. and d. in Paragraph 2. do not apply to "computer programs" and "electronic data" covered under this extension.
- c. We do not provide coverage for loss to, or loss of value resulting from infringement of, your intellectual property rights.

2. Fire Protection Devices

We will cover your expense, for up to \$25,000, to recharge or refill any fire protection devices which have been discharged to protect the covered property.

The amount we pay under this Extension Of Coverage is an additional amount of insurance and is not subject to a deductible.

3. Debris Removal

We will cover your expense to remove the debris of covered property, caused by Covered Cause Of Loss.

The amount we pay under this Extension Of Coverage will not increase the applicable Limit Of Insurance.

SPECIAL CONDITIONS

1. Valuation

We agree all losses to:

- a. "Computer equipment" will be determined based on the cost to repair or replace with that of similar performance, capacity or function.
- b. Removable data storage media will be determined based on the cost to repair or replace that media with blank media of similar performance, capacity or function.
- c. "Computer programs":
 - (1) That are commercial off-the-shelf will be determined based on the cost to repair or replace with that of similar performance, capacity or function; or
 - (2) That are not commercial off-the-shelf will be determined based on the cost of reproducing the programs if they are reproduced. If not reproduced, loss will be determined based on the cost of blank, readily available, removable data storage media, such as blank discs, with suitable capacity to store the programs.
- d. "Electronic data" will be determined based on the cost of reproducing the data, if it is reproduced. If not reproduced, loss will be determined based on the cost of blank, readily available, removable data storage media, such as blank discs, with suitable capacity to store the data.

2. One Loss

If an initial loss causes other losses, all will be considered one loss. All losses that are the result of the same event will be considered one loss.

OPTIONAL COVERAGE – LOSS OF INCOME AND EXTRA EXPENSE

1. If a limit is shown on the Inland Marine Schedule Page for Loss Of Income And Extra Expense, coverage under this form is provided, subject to that limit, for the following:

- a. The actual "Loss Of Income" you sustain due to the necessary "suspension" of your operations during the "period of restoration". The "suspension" must be caused by damage or destruction to property covered

under this form, by a Covered Cause Of Loss; and

- b. Any necessary "extra expense" you incur during the "period of restoration" that you would not have incurred if there had been no damage or destruction to property covered under this form, by a Covered Cause Of Loss.

We will only pay for "Loss Of Income" or "extra expense" that you sustain during the "period of restoration" that occurs within 12 consecutive months after the date of loss. We will only pay for "ordinary payroll expenses" for 90 days following the date of loss.

2. We will not pay for:

- a. Any "extra expense" or increase of "Loss Of Income" caused by suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of your operations, we will cover such loss that affects your "Loss Of Income" during the "period of restoration";
- b. Any "extra expense" caused by suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration";
- c. Any other consequential loss; or
- d. Loss caused by seizure or destruction of property by order of governmental authority. But we will pay for acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread.

DEFINITIONS

1. "Computer" means:

- a. Programmable electronic equipment that is used to store, retrieve and process data; and
- b. Associated peripheral equipment that provides communication, including input and output functions such as printing and auxiliary functions such as data transmission.

"Computer" does not include those used to operate production type machinery or equipment.

2. "Computer equipment" means "computers", "computer" cables and wiring not attached to or forming a part of a building, and equipment manuals. "Computer equipment" does not mean other types of devices with internal computing capability, such as intelligent devices that contain an embedded chip or some other form of logic circuitry, or the computing components in those devices.

3. "Computer programs" means a set of related electronic instructions which direct the operations and functions of a "computer" or device connected to it, which enable the "computer" or device to receive, process, store, retrieve or send data.
4. "Electronic data" means information, facts or "computer programs" stored as or on, created or used on, or transmitted to or from "computer" software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of "computer" software which are used with electronically controlled equipment.
5. "Extra expense" means expense incurred:
 - a. To avoid or minimize the "suspension" of business and to continue operations.
 - b. To minimize the "suspension" of business if you cannot continue operations.
 - c. To repair or replace any property to the extent it reduces the amount of loss that would otherwise have been payable under this coverage or "Loss Of Income" coverage.
6. "Fungi" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungus.
7. "Loss Of Income" means the sum of the amounts as described in a. and b. below:
 - a. Net income (net profit or loss before income taxes) that would have been earned or incurred if no accidental direct loss had occurred, including:
 - (1) "Rental value";
 - (2) "Maintenance fees", if you are a condominium association or other similar community association;
 - (3) Total receipts and contributions (less operating expenses) normally received during the period of disruption of operations; and
 - (4) Tuition and fees from students, including fees from room, board, laboratories and other similar sources.
 - b. Continuing normal operating expenses incurred, including "ordinary payroll expenses".
8. "Maintenance fees" means the regular payment made to you by unit-owners and used to service the common property.
9. "Ordinary payroll expenses":
 - a. Mean payroll expenses for all your employees except:
 - (1) Officers;
 - (2) Executives;
 - (3) Department Managers; and
 - (4) Employees under contract;
 - b. Include:
 - (1) Payroll;
 - (2) Employee benefits, if directly related to payroll;
 - (3) FICA payments you pay;
 - (4) Union dues you pay; and
 - (5) Workers' compensation premiums.
10. "Period of restoration" means the period of time that:
 - a. Begins immediately after the time of loss to property covered by this form; and
 - b. Ends on the date when the property covered by this form should be repaired, rebuilt, restored or replaced with reasonable speed and similar quality.

The expiration date of this policy will not cut short the "period of restoration".
11. "Rental value" means:
 - a. The total anticipated rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you;
 - b. The amount of all charges which are the legal obligation of the tenant(s) and which would otherwise be your obligations; and
 - c. The fair rental value of any portion of the described premises which is occupied by you.
12. "Suspension" means the partial slowdown or complete cessation of your business activities.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CMP-4550 RESIDENTIAL COMMUNITY ASSOCIATION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

1. SECTION I — PROPERTY is amended as follows:

a. Under Coverage A — Buildings:

(1) Paragraph 2. is replaced by the following:

2. Fixtures, outside of individual units, including outdoor fixtures;

(2) Paragraph 5.d. is replaced by the following:

- d. Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units.

(3) The following is added:

Any of the following types of property contained within an individual unit, regardless of ownership:

- (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 Paragraphs (a) or (b) above.

b. Under Coverage B — Business Personal Property:

(1) Paragraph 1. is replaced by the following:

1. Property that:

- a. You own, lease from others or rent from others, or that is loaned to you; or
- b. Owned indivisibly by all unit-owners;

(2) Paragraph 3. does not apply.

c. The following is added under Property Not Covered:

Personal property owned by a unit-owner except as provided in Coverage A — Buildings or Coverage B — Business Personal Property.

d. Paragraph 1.h. of SECTION I — EXCLUSIONS is replaced by the following:

h. Water

- (1) Flood, surface water, waves (including tidal wave, tsunami, seiche) tides, tidal water, overflow of any body of water, or spray or surge from any of these, all whether driven by wind or not, except as provided in the Back-up Of Sewer Or Drain Extension Of Coverage;

(2) Mudslide or mudflow;

- (3) Water or sewage that backs up or overflows from a sewer, drain or sump, except as provided in the Back-up Of Sewer Or Drain Extension Of Coverage;

- (4) Water or sewage 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) Material carried or otherwise moved by any of the Water, as described in Paragraphs (1) through (4) above.

But if Water, as described in Paragraphs (1) through (5) above, results in accidental direct physical loss by fire, explosion or sprinkler leakage, we will pay for the loss caused by that fire, explosion or sprinkler leakage.

e. **SECTION I — EXTENSIONS OF COVERAGE** is amended as follows:

- (1) Regardless of any language to the contrary in this policy, and only for the following Extensions Of Coverage, the most we will pay for loss in any one occurrence at each "complex" is the Limit Of Insurance for that Extension Of Coverage shown in the Declarations:

Pollutant Clean Up And Removal;
 Money Orders And Counterfeit Money;
 Forgery Or Alterations;
 Personal Property Off Premises;
 Outdoor Property;
 Personal Effects;
 Valuable Papers And Records;
 Accounts Receivable;
 Signs;
 Arson Reward; and
 Property Of Others.

- (2) The following is added:

Back-up Of Sewer Or Drain.

1. We will pay for accidental direct physical loss to Covered Property directly and immediately caused by water or sewage:
 - a. That enters through a sewer or drain located inside the interior structure; or
 - b. Which enters into and overflows from within a sump pump, sump pump well, or any other system located inside the interior of the structure, designed to remove subsurface water drained from the foundation area.
2. This coverage does not apply if the loss is resulting from your failure to:
 - a. Keep a sump pump or its related equipment in proper working condition; or
 - b. Perform the routine maintenance or repair necessary to keep a sewer or drain free from obstructions.

- f. Paragraph 3. of **SECTION I — LIMITS OF INSURANCE** does not apply.

- g. Paragraph 1.e.(4)(d) under Loss Payment of **SECTION I — CONDITIONS** does not apply.

- h. The following is added to Paragraph 1.e. under Loss Payment of **SECTION I — CONDITIONS**:

If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.

- i. The following is added to **SECTION I — DEFINITIONS**:

"Complex" means one or more covered buildings subject to common ownership, management, and maintenance located on the same or connecting lots.

2. **SECTION II — LIABILITY** is amended as follows:

- a. The following applies to **SECTION II — WHO IS AN INSURED**:

No person or organization is an insured with respect to acts, errors or omissions:

- (1) For which that person or organization may be liable in their capacity as a declarant, builder, sponsor, developer, promoter, engineer or architect; or

- (2) While acting within the scope of their duties for a declarant, builder, sponsor, developer, promoter, engineer or architect.

- b. The following is added to Paragraph 1.b. under **SECTION II — WHO IS AN INSURED**:

Each of the following is also an insured:

Any unit-owner including:

- (1) The declarant, builder, sponsor, developer or promoter in the capacity as a unit-owner, but only with respect to the declarant's, builder's, sponsor's, developer's or promoter's liability arising out of:

- (a) The ownership, maintenance or repair of that portion of the premises which is not owned solely by the declarant, builder, sponsor, developer or promoter; or

(b) The declarant's, builder's, sponsor's, developer's or promoter's membership in the association.

(2) Each other unit-owner of the described condominium association or similar community association, but only with respect to that person's liability arising out of:

(a) The ownership, maintenance or repair of that portion of the premises which is not owned solely by the unit-owner; or

(b) Membership in the association.

3. SECTION I AND SECTION II — COMMON POLICY CONDITIONS is amended as follows:

a. **SECTION I — PROPERTY** under Paragraph 7. Other Insurance is replaced by the following:

SECTION I — PROPERTY

If there is other insurance covering the same loss, we will pay only for the amount of covered loss 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 of **SECTION I — PROPERTY** shown in the Declarations.

If, at the time of loss, a unit-owner has other insurance covering the same property as this insurance, this insurance is intended to be primary, and not to contribute with such other insurance.

b. The following is added to Paragraph 10. Transfer Of Rights Of Recovery Against Others To Us:

We waive our rights to recover payment from:

(1) Any unit-owner, including the developer as a unit-owner, and household members;

(2) The association; and

(3) Member of the board of directors for acts or omissions within the scope of their duties for you.

We reserve our right, however, to recover against the declarant, builder, sponsor, developer or promoter for acts, errors or omissions that the declarant, builder, sponsor, developer or promoter may be liable for in the capacity as a declarant, builder, sponsor, developer or promoter.

All other policy provisions apply.

CMP-4550

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FE-8739 INLAND MARINE CONDITIONS

Coverage in the Inland Marine Form is primary to any coverage provided in the policy this Form is attached to, for the same property.

The following Conditions also apply:

1. **Agreement.** We agree to provide the insurance described in this policy. You agree to pay premiums when due and comply with the provisions of this policy.
2. **Definitions.** Throughout this policy, the words "you" and "your" refer to the Named Insured and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.
3. **Valuation.** The value of covered property will be determined based on the provisions in the applicable coverage form attached.
4. **Loss Payment.** In the event of loss covered by this policy:
 - a. We will give notice, within 30 days after we receive the sworn statement of loss, of our intent to settle the loss according to one of the following methods:
 - (1) Pay the value of lost or damaged property as determined in the Valuation Condition shown in the applicable coverage form;
 - (2) Pay the cost of replacing or repairing the lost or damaged property, plus any reduction in value of repaired items;
 - (3) Take all or any part of the property at an agreed or appraised value; or
 - (4) Repair, rebuild or replace the property with other property of like kind and quality;
 - b. We will not pay you more than your financial interest in the covered property;
 - c. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the covered property;
 - d. We may elect to defend you, at our expense, against suits arising from claims of owners of property;
 - e. We will pay for covered loss within 30 days after we receive the sworn statement of loss, if:
 - (1) You have complied with all of the terms of this policy; and
 - (2) We have reached agreement with you on the amount of loss or an appraisal award has been made.
5. **Duties in the Event of Loss.** You must see that the following are done in the event of loss to covered property:
 - a. Notify the police if a law may have been broken;
 - b. Give us prompt notice of the loss. Include a description of the lost or damaged property in the notice;
 - c. As soon as possible, give us a description of how, when and where the loss occurred;
 - d. Take all reasonable steps to protect the covered property from further damage by an insured loss. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your emergency and temporary repair expenses for consideration in the settlement of the claim. This will not increase the limit of insurance;
 - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed;
 - f. Permit us to inspect the property and records proving the loss;
 - g. If requested, permit us to question you under oath at such times as may be reasonably required about any matter relating to this insurance or your claim, including your books and records. In such event, your answers must be signed;
 - h. Send us a signed, sworn statement 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;
 - i. Cooperate with us in the investigation or settlement of the claim;

- j. Resume all or part of your business activities at the described premises as quickly as possible.

6. Appraisal. If you and we 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. Each party will notify the other of the selected appraiser's identity within 20 days after receipt of the written demand for an appraisal. The two appraisers will select an umpire. If the appraisers cannot agree upon an umpire within 15 days, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

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

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

7. Abandonment. There can be no abandonment of any property to us.

8. Legal Action Against Us. No one may bring legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after the date on which the accidental direct physical loss occurred. But if the law of the state in which this policy is issued allows more than two years to bring legal action against us, that longer period of time will apply.

9. 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.

10. No Benefit to Bailee. No person or organization, other than you, having custody of covered property will benefit from this insurance.

11. Knowledge or Control. We will not pay for loss while the chance of loss is increased by any means within your knowledge or control.

12. Policy Period, Coverage Territory. We cover loss commencing during the policy period and within or between the coverage territory. The coverage territory is the United States of America (including its territories and possessions), Puerto Rico and Canada.

13. Changes

a. 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.

b. We may change the Named Insured's policy address as shown in the Declarations and in our records to the most recent address provided to us by:

- (1) You; or
- (2) The United States Postal Service.

14. Concealment, Misrepresentation or Fraud. This policy is void in any case of fraud by you as it relates to the policy at any time. It is also void if you or any other insured intentionally conceal or misrepresent a material fact concerning:

- a. This policy;
- b. The covered property;
- c. Your interest in the covered property; or
- d. A claim under this policy.

15. 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.

16. Inspections and Surveys

a. We have the right to:

- (1) Make inspections and surveys at any time;
- (2) Give you reports on the conditions we find; and
- (3) Recommend changes.

- b. 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:

- (1) Are safe and healthful; or
- (2) Comply with laws, regulations, codes or standards.

- c. Paragraphs a. and b. 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.

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

18. Other Insurance. If loss covered by this policy is also covered by other insurance written in your name, we will not pay for a greater proportion of the covered loss than this policy's Limit of Insurance bears to the total amount of insurance covering such loss.

19. Premiums

- a. 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.
- b. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
- c. You may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:
 - (1) Paid to us prior to the anniversary date; and
 - (2) Determined in accordance with Paragraph b. above.

Our forms then in effect will apply. If you do not pay the continuation premium, this policy will expire on the first anniversary date that we have not received the premium.

- d. Undeclared exposures, acquisition, or change in your business operation may occur during the policy period that are not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

20. Transfer of Rights of Recovery Against Others to Us. If any person or organization to or for whom we make payment under this policy 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:

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

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

21. 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.

22. Conformity to State Law. When a provision of this policy is in conflict with the applicable law of the state in which this policy is issued, the law of the state will apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDATORY ENDORSEMENT (Colorado)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

1. When used in this policy or in any endorsement attached to this policy, the word "spouse" is replaced with "spouse or party to a civil union recognized under Colorado law".
2. Paragraphs 2.b.(6) and 2.b.(7) under **Mortgageholders of the Property General Conditions** are replaced by the following:
 - (6) If we cancel this policy, we will provide notice to the mortgageholder at least:
 - (a) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (b) 30 days before the effective date of cancellation if we cancel for any other reason.
 - (7) If we elect not to renew this policy, we will provide notice to the mortgageholder at least 10 days before the expiration date of this policy.
3. Paragraph 8. of **SECTION I AND SECTION II — COMMON POLICY CONDITIONS** is replaced by the following:
 8. **Premiums**
 - a. 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.
 - b. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
 - c. Unless otherwise provided by an alternative payment plan in effect with "State Farm Companies", you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:
 - (1) Paid to us prior to the anniversary date; and
 - (2) Determined in accordance with Paragraph b. above.

Our forms then in effect will apply.
 - d. Undeclared exposures or change in your business operation, acquisition or use of premises may occur during the policy period that are not shown in the Declarations. If so, we may require

an additional premium. That premium will be determined in accordance with our rates and rules then in effect.

When you request changes to this policy, or the information or factors used to calculate the premium for this policy changes during the policy period, we may adjust the premium in accordance with the change during the policy period and you must pay any additional premium due within the time we specify.

- e. The premium for this policy may vary based upon:
 - (1) The purchase of other insurance from the "State Farm Companies";
 - (2) The purchase of products or services from an organization that has entered into an agreement or contract with the "State Farm Companies". The "State Farm Companies" do not warrant the merchantability, fitness, or quality of any product or service offered or provided by that organization; or
 - (3) An agreement, concerning the insurance provided by this policy, that the "State Farm Companies" has with an organization in which you have a membership, or of which you are a subscriber, licensee, or franchisee.
- f. Your purchase of this policy may allow:
 - (1) You to purchase or obtain certain coverages, coverage options, coverage deductibles, coverage limits, or coverage terms on other products from the "State Farm Companies", subject to their applicable eligibility rules; or
 - (2) The premium or price for other products or services purchased by you, including non-insurance products or services, to vary. Such other products or services must be provided by the "State Farm Companies" or by an organization that has entered into an agreement or contract with the "State Farm Companies". The "State Farm Companies" do not warrant the merchantability, fitness or quality of any product or service offered or provided by that organization.

4. The following Conditions are added to **SECTION I AND SECTION II — COMMON POLICY CONDITIONS:**

a. Increase In Premium Or Decrease In Coverage

We will not increase the premium unilaterally or decrease the coverage benefits on renewal of this policy unless we provide notice of our intention, including the actual reason, to the first Named Insured at least 45 days before the effective date.

Any decrease in coverage during the policy term must be based on one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) A false statement knowingly made by the insured on the application for insurance; or
- (3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept the change.

b. 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) Cancellation Of Policies In Effect For:

(a) Less than 60 Days

If this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel this policy by providing to the first Named Insured notice of cancellation at least:

- i. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- ii. 30 days before the effective date of cancellation if we cancel for any other reason.

(b) 60 Days Or More

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

- 1) Nonpayment of premium;

- 2) A false statement knowingly made by the insured on the application for insurance; or

- 3) A substantial change in the exposure or risk other than that indicated in the application and underwritten as of the effective date of the policy unless the first Named Insured has notified us of the change and we accept the change.

ii. If we cancel, we will provide notice of cancellation to the first Named Insured:

- 1) Including the actual reason, at least 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- 2) At least 45 days before the effective date of cancellation, if we cancel for any other reason.

- (3) Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

- (4) If this policy is cancelled, we will send the first Named Insured any premium refund due. The refund will be pro rata. The cancellation will be effective even if we have not made or offered a refund.

- (5) If this policy insured more than one Named Insured:

- (a) The first Named Insured may affect cancellation for the account of all insureds; and
- (b) Our notice of cancellation to the first Named Insured is notice to all insureds. Payment of unearned premium to the first Named Insured is for the account of all interests therein.

c. When We Do Not Renew

If we decide not to renew this policy, we will provide notice of nonrenewal to the first Named Insured shown in the Declarations at least 45 days before:

- (1) The expiration date; or
- (2) The anniversary date if it is a policy written for a term of more than one year or with no fixed expiration date.

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CMP-4710 EMPLOYEE DISHONESTY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added as an Extension of Coverage under **SECTION I — EXTENSIONS OF COVERAGE**.

Employee Dishonesty

1. We will pay for direct physical loss to Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your "employees" acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:
 - a. Cause you to sustain loss; and
 - b. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other "employee" benefits earned in the normal course of employment) for:
 - (1) Any "employee"; or
 - (2) Any other person or organization intended by that "employee" to receive that benefit.
2. The most we will pay for loss under this Coverage in any one occurrence, regardless of the number of described premises, is the Limit Of Insurance for Employee Dishonesty shown in the Declarations, even if the occurrence includes more than one policy period.
The amount we pay under this Extension of Coverage is an additional amount of insurance.
Regardless of the amount of the Basic Deductible, the most we will deduct from any loss under this Extension of Coverage in any one occurrence is the applicable deductible listed for Employee Dishonesty under Special Deductibles shown in the Declarations.
3. We will determine the value of:
 - a. "Money" at its face value; and
 - b. "Securities" at their value at the close of business on the day the loss is discovered.
4. All loss:
 - a. Caused by one or more persons; or
 - b. Involving a single act or series of acts; is considered one occurrence.
5. With respect to coverage provided by this endorsement:
 - a. Paragraph 2. of **Property Not Covered** does not apply.
 - b. Paragraph 1.d. of **Property Subject To Limitations** does not apply.
 - c. Paragraph 2.f. of **SECTION I — EXCLUSIONS** does not apply.
 - d. The first paragraph under **SECTION I — EXTENSIONS OF COVERAGE** does not apply.
6. We will not pay for loss:
 - a. Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons.
 - b. When the only proof of its existence or amount is:
 - (1) An inventory computation; or
 - (2) A profit and loss computation.
7. This Coverage does not apply to any "employee" immediately upon discovery by:
 - a. You; or
 - b. Any of your partners, "members", "managers", officers, directors, or trustees not in collusion with the "employee";
 of any dishonest act committed by that "employee" before or after being hired by you.
8. We will pay only for loss you sustain through acts committed or events occurring during the policy period.
These acts must be discovered no later than one year from the end of the policy period.
9. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit Of Insurance cumulates from year to year or period to period.

10. If any loss is covered:

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

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

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

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

12. The insurance under Paragraph 11. above is part of, not in addition to, the Limit Of Insurance applying to this Coverage and is limited to the lesser of the amount recoverable under:

- a. This Coverage as of its effective date; or
- b. The prior insurance had it remained in effect.

13. With respect to this Coverage "employee" means:

- a. Any natural person:
 - (1) While in your service or for 30 days after termination of service;
 - (2) Who you compensate directly by salary, wages or commissions; and

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

- b. Any "manager", director, officer or trustee, whether compensated or not, except while performing acts outside the scope of their normal duties;
- c. Any natural person who is furnished temporarily to you:

(1) To substitute for a permanent "employee" as described in Paragraph a. above, who is on leave; or**(2) To meet seasonal or short-term work load conditions;**

- d. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary "employee" as described in Paragraph c. above;
- e. Any natural person who is a former "employee", director, officer, partner, "member", "manager", representative or trustee retained as a consultant while performing services for you; or
- f. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.

But this does not include any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character.

All other policy provisions apply.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CMP-4746.1 HIRED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

1. The insurance provided under **Coverage L – Business Liability** in **SECTION II – LIABILITY**, applies to “bodily injury” or “property damage” arising out of the maintenance or use of a “hired auto” by you or your “employees” in the course of your business.

2. For insurance provided by this endorsement only:

- a. The exclusions under **Section II – Exclusions**, other than exclusions **1., 2., 4., 7., and 10.**, and the **SECTION II – NUCLEAR ENERGY LIABILITY EXCLUSION**, are deleted and replaced by the following:

(1) “Bodily injury” to:

- (a) An “employee” of the insured arising out of and in the course of:
 - i. Employment by the insured; or
 - ii. Performing duties related to the conduct of the insured’s business; or
- (b) The spouse, child, parent, brother or sister of that “employee” as a consequence of Paragraph (a) above.

This exclusion applies:

- (a) Whether the insured may be liable as an employer or in any other capacity; and
- (b) To any obligation to share damages with or repay someone else who must pay damages because of injury.

This exclusion does not apply to:

- (a) Liability assumed by the insured under an “insured contract”; or
- (b) “Bodily injury” arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

(2) “Property damage” to:

- (a) Property owned or being transported by, or rented or loaned to the insured; or
- (b) Property in the care, custody or control of the insured.

- b. We will not pay under **Coverage M – Medical Expenses** for “bodily injury” arising out of the use of any “hired auto”.

- c. **SECTION II – WHO IS AN INSURED**, is replaced by the following:

1. Each of the following is an insured under this endorsement to the extent set forth below:

- a. You;
- b. Any other person using a “hired auto” with your permission; and
- c. Any other person or organization, but only for their liability because of acts or omissions of an insured under a. or b. above.

2. None of the following is an insured:

- a. Any person engaged in the business of his or her employer for “bodily injury” to any co-“employee” of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-“employee” as a consequence of such “bodily injury”, or for any obligation to share damages with or repay someone else who must pay damages because of the injury;

- b. Any:

- (1) Partner or “executive officer” for any “auto” owned by or registered to such partner or officer or a member of his or her household; or

- (2) "Employee" for any "auto" owned by or registered to such "employee" or a member of his or her household;
- c. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
 - d. The owner or lessee (of whom you are a sublessee) of a "hired auto" or any agent of or any person or entity employed by such owner or lessee; or
 - e. Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.
3. With respect to this endorsement the following additional definitions apply:
- a. "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
 - b. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or members (if you are a partnership or joint venture), "members" or "managers" (if you are a limited liability company), your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or members of their households.
- All other policy provisions apply.

CMP-4746.1

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FE-3650 ACTUAL CASH VALUE ENDORSEMENT

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

Actual cash value means the value of the damaged part of the property at the time of loss, calculated as the estimated cost to repair or replace such property, less a deduction to account for pre-loss depreciation. For this calculation, all components of this estimated cost including, but not limited to:

1. materials, including any tax;
2. labor, including any tax; and
3. overhead and profit;

are subject to depreciation.

The depreciation deduction may include such considerations as:

1. age;
2. condition;
3. reduction in useful life;
4. obsolescence; and
5. any pre-loss damage including wear, tear, or deterioration;

of the damaged part of the property.

All other policy provisions apply.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CMP-4508 MONEY AND SECURITIES
 (Apartment And Residential Community Association)**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added as an Extension of Coverage under **SECTION I — EXTENSIONS OF COVERAGE**.

Money And Securities

1. We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee having use and custody of the property, at the described premises, or in transit between any of these places, resulting directly from:
 - a. Theft, meaning any act of stealing;
 - b. Disappearance; or
 - c. Destruction.
2. The most we will pay for loss to "money" and "securities" in any one occurrence, at each "complex", under this Coverage is:
 - a. The Limit Of Insurance for Money And Securities (On Premises) shown in the Declarations while:
 - (1) In or at the "complex"; or
 - (2) Within a bank or savings institution; and
 - b. The Limit Of Insurance for Money And Securities (Off Premises) shown in the Declarations while anywhere else.

The amount we pay under this Extension of Coverage is an additional amount of insurance.

Regardless of the amount of the Basic Deductible, the most we will deduct from any loss under this Extension of Coverage in any one occurrence is the applicable deductible listed for Money And Securities under Special Deductibles shown in the Declarations.

3. We will determine the value of:
 - a. "Money" at its face value; and

- b. "Securities" at their value at the close of business on the day the loss is discovered.

4. With respect to coverage provided by this endorsement:

- a. Paragraph 2. of **Property Not Covered** does not apply.
- b. Paragraphs 1.c. and 1.d. of **Property Subject To Limitations** does not apply.
- c. The first paragraph under **SECTION I — EXTENSIONS OF COVERAGE** is replaced by the following:

Subject to the terms and conditions applicable to **SECTION I — PROPERTY** of this coverage form, Money and Securities applies separately to each "complex" we insure.

5. All loss:
 - a. Caused by one or more persons; or
 - b. Involving a single act or series of related acts;
 is considered one occurrence.
6. We will not pay under this Extension Of Coverage for loss consisting of one or more of the following:
 - a. Resulting from accounting or arithmetical errors or omissions;
 - b. Due to the giving or surrendering of property in any exchange or purchase; or
 - c. Of property contained in any "money"-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
7. You must keep records of all "money" and "securities" so we can verify the amount of any loss.

All other policy provisions apply.

CMP-4508

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CMP-4829 GUARANTEED REPLACEMENT COST COVERAGE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

1. The following is added to **SECTION I — PROPERTY**:

Guaranteed Replacement Cost Coverage

a. We will settle covered losses to buildings or structures at the described premises under **Coverage A — Buildings**, for the amount you actually spend that is necessary to repair or replace the damaged building or structure, without regard to the applicable Limit Of Insurance. This coverage applies separately to each premises described in the Declarations.

b. Guaranteed Replacement Cost Coverage does not apply to the following property under **Coverage A — Buildings**:

- (1) Structures that are not buildings;
- (2) Outdoor fixtures;
- (3) Personal property that is used to maintain or service the buildings or structures or described premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(4) If not covered by other insurance, materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures.

c. **Report Increase Values**

You must notify us within 90 days of the start of any additions to or remodeling of the buildings which increases the value of any one building by \$10,000 or more and pay any additional premium due for the increase in value. If you fail to notify us within 90 days, our payment will not exceed the applicable Limit Of Insurance applying to the damaged buildings. See Loss Payment under **SECTION I — CONDITIONS** for additional provisions.

2. For purposes of this endorsement, the following provisions do not apply:

- a. Paragraph 1.e.(4)(a)i.1) under Loss Payment of **SECTION I — CONDITIONS**; and
- b. Paragraph 12. Newly Acquired Or Constructed Property under **SECTION I — EXTENSIONS OF COVERAGE**.

All other policy provisions apply.

CMP-4829

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



CMP-4769 ADDITIONAL CONDOMINIUM PROPERTY NOT COVERED

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

RESIDENTIAL COMMUNITY ASSOCIATION ENDORSEMENT

1. Under **SECTION I — PROPERTY** of the BUSINESSOWNERS COVERAGE FORM, the following are added to **Property Not Covered**:
 - a. Floor coverings of any kind within a unit above the upper surface of the sub flooring, such as carpeting, vinyl goods or hardwood;
 - b. Wall coverings of any kind within a unit, such as paint, texture, wall paper, paneling or permanently mounted mirrors;
 - c. Appliances within a unit, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping; and
 - d. Any improvements and alterations within a unit that are now a part of the building or structure but which were not part of the original condominium plans or specifications.
2. Paragraph **1.a.(3)(a)** of the RESIDENTIAL COMMUNITY ASSOCIATION ENDORSEMENT is replaced by the following:
 - (1) Fixtures that are a part of the building or structure; and
3. Paragraph **1.a.(3)(b)** of the RESIDENTIAL COMMUNITY ASSOCIATION ENDORSEMENT does not apply.

All other policy provisions apply.

CMP-4769

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CMP-4849 WINDSTORM OR HAIL DEDUCTIBLE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to **SECTION I – DEDUCTIBLES**:

- a. A special Windstorm Or Hail deductible applies to accidental direct physical loss to Covered Property caused by windstorm or hail.
- b. We will pay only the amount of loss in excess of the amount determined by applying the Windstorm Or Hail deductible percentage (%) shown in the Declarations to the Limit Of Insurance applicable to the Covered Property that has sustained loss as shown in the Declarations. If coverage is written on a blanket basis, the amount we pay will be determined by applying the Windstorm Or Hail deductible percentage (%) shown in the Declarations to the risk amount shown in our records as of the most recent Declarations applicable to the Covered Property that has sustained loss.
- c. The Windstorm Or Hail deductible is calculated separately for, and applies separately to:
 - (1) Each covered building that sustains loss;
 - (2) The Business Personal Property at each building at which there is loss to Business Personal Property.

If there is damage to both a covered building and Business Personal Property in that building, separate deductibles apply to the covered building and to the Business Personal Property.

We will not deduct less than the Basic Deductible shown in the Declarations under **SECTION I – DEDUCTIBLES**.

CMP-4849

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In accordance with the Terrorism Risk Insurance Act of 2002 as amended and extended by the Terrorism Risk Insurance Program Reauthorization Act of 2019, this disclosure is part of your policy.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Coverage for acts of terrorism is not excluded from your policy. However your policy does contain other exclusions which may be applicable, such as an exclusion for nuclear hazard. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under this policy, any covered losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. Under the formula, the United States Government generally reimburses 80% beginning on January 1,

2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

There is no separate premium charged to cover insured losses caused by terrorism. Your insurance policy establishes the coverage that exists for insured losses. This notice does not expand coverage beyond that described in your policy.

THIS IS YOUR NOTIFICATION THAT UNDER THE TERRORISM RISK INSURANCE ACT, AS AMENDED, ANY LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER YOUR POLICY MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT AND MAY BE SUBJECT TO A \$100 BILLION CAP THAT MAY REDUCE YOUR COVERAGE.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.



CMP-4862 ORDINANCE OR LAW (Business)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

LOSS OF INCOME AND EXTRA EXPENSE

Coverage provided under this endorsement applies only if an "X" is shown in the box for that coverage in the Schedule below.

SCHEDULE

<input type="checkbox"/>	A. Loss in Value Coverage
<input checked="" type="checkbox"/>	B. Increased Cost And Demolition Coverage
<input checked="" type="checkbox"/>	10 Percent
<input type="checkbox"/>	25 Percent
<input type="checkbox"/>	50 Percent
<input type="checkbox"/>	100 Percent

A. Loss In Value Coverage

1. In the event of damage by a Covered Cause Of Loss to a building, that is Covered Property, we will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of any "ordinance or law" that requires demolition of undamaged parts of the same building. However, we will not pay for:
 - a. Any cost of demolishing or clearing the site of undamaged portions of the covered building; or
 - b. Any increased cost to repair, rebuild or construct the building caused by enforcement of any "ordinance or law".
2. When there is a loss in value of an undamaged portion of a building to which this Loss In Value Coverage applies, the loss payment for that building, including damaged and undamaged portions, will be the lesser of:
 - a. The actual cash value of the building as of the time of loss if the covered building property is not repaired or replaced;
 - b. The amount you actually spend to repair, rebuild or reconstruct the building if the covered building property is repaired or replaced on the same or another premises; or

- c. The Limit Of Insurance shown in the Declarations as applicable to the covered building.

3. The terms of this Loss In Value Coverage apply separately to each building to which the policy applies.

B. Increased Cost And Demolition Coverage

1. In the event of damage by a Covered Cause Of Loss to a building, that is Covered Property, we will pay the:
 - a. Increased costs incurred to comply with enforcement of any "ordinance or law" in the course of repair, rebuilding or replacement of damaged parts of that property.

If you elect to rebuild at another premises, we will pay the increased cost which would have been incurred had the building been repaired or replaced at the described premises.

However, if the "ordinance or law" requires relocation to another premises, we will pay the increased cost incurred at the new premises; and
 - b. Cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of any "ordinance or law" that requires demolition of such undamaged property;

2. We will not pay for:

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- a. Any loss in value for an undamaged portion of a building caused by enforcement of any "ordinance or law"; or
 - b. the increased cost:
 - (1) Until the property is actually repaired or replaced, at the described or another premises; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss, not to exceed two years. We may extend this period in writing during the two years.
3. The most we will pay under this Increased Cost And Demolition Coverage, for each described premises insured under **SECTION I — PROPERTY**, is the lesser of:
- a. The amount you actually spend for the increased cost to repair or rebuild the building at the described or another premises in the same general vicinity if relocation is required by any "ordinance or law", and the cost to demolish and clear the site of the undamaged parts of the building at the described premises caused by enforcement of any "ordinance or law"; or
 - b. A percentage, as shown in the Schedule above, of the Limit Of Insurance applicable to that building.

If a damaged building(s) is covered under a blanket Limit Of Insurance which applies to more than one building or item of property, then the most we will pay, in any one occurrence under this Extension Of Coverage, regardless of the number of buildings involved, is the amount determined by multiplying the percent as shown in the Declarations by the single Limit Of Insurance applicable to the covered building(s) at the time of loss.

The amount we pay under this Increased Cost And Demolition Coverage is in addition to the applicable Limit Of Insurance.

- 4. The amount payable, as stated in Paragraph 3. above, is not subject to Paragraph e.(4)(a)iv. under Loss Payment of **SECTION I — CONDITIONS**.
- 5. The following will amend the Loss Of Income And Extra Expense endorsement if Loss Of Income And Extra Expense is shown in the Declarations:

Paragraph 11.c. under the Loss Of Income And Extra Expense Definitions, is replaced by the following:

- c. "Period of restoration";
 - (1) Means the period of time that:
 - (a) Begins immediately after the time of accidental direct physical loss caused by any Covered Cause Of Loss at the described premises; and
 - (b) Ends on the earlier of:
 - i. The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - ii. The date when business is resumed at a new permanent location.
 - (2) Does not include any increased period required due to the enforcement of any "ordinance or law" that 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".

The expiration date of this policy will not cut short the "period of restoration".

- C. The following apply to both Loss In Value and Increased Cost And Demolition Coverages provided by this endorsement:

- 1. We will not pay for:
 - a. Loss due to any "ordinance or law" that:
 - (1) You were required to comply with before the loss, even if the building was undamaged; and
 - (2) You failed to comply with;
 - b. The 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, virus, bacteria or other microorganism; or

c. Any 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, virus, bacteria or other micro-organism.

2. The coverage provided by this endorsement is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this endorsement.

3. "Ordinance or law" as referred to in this endorsement, means any ordinance or law that is in force at the time of loss and regulates the demolition, construction or repair of buildings or establishes zoning or land use requirements at:

- a. The described premises; or
- b. Another premises, if such ordinance or law requires relocation.

All other policy provisions apply.

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