

SELECTIVE
INSURANCE®

POLICY DOCUMENT

S 2743815

INSURED 'S COPY

SELECTIVE INSURANCE
BRANCHVILLE, NEW JERSEY 07890

POLICY SCHEDULE

ISSUE DATE: 07/17/2026

Policy No	Issued To	
S 2743815	BURNS FAMILY FARMS INC	
Period	Transaction Type	Agent Number
07/01/2026 07/01/2027	NEW BUSINESS	00-07450-00000
Billing Type	Transaction Eff. Date	Number of Remaining Installments
DIRECT BILL	07/01/2026	04

BILL ACCOUNT: 029 106 757

PAYMENT WILL BE BILLED AS FOLLOWS:

	SCHEDULED BILL DATE	SCHEDULED DUE DATE	PREMIUM AMOUNTS
01.	07/19/2026	08/08/2026	20,849.00
02.	09/18/2026	10/08/2026	20,849.00
03.	12/18/2026	01/08/2027	20,849.00
04.	03/19/2027	04/08/2027	20,848.38
		TOTAL	\$83,395.38

THIS IS NOT A BILL.

Your bill will be sent under separate cover. This is a Payment Schedule of your policy premium due based on your selected installment plan. Changes made to the policy premium after the issue date listed above, will be reflected on future bills.

An installment fee of \$8.00 may be added to each installment bill. Policies not paid by the installment due date are subject to a late fee of \$30.00 for each late payment. An insufficient fund fee of \$30.00 will be charged for payments returned by your financial institution.

A reinstatement fee may be incurred when a policy is reinstated after a non-pay cancellation is processed. Fee amounts are generally \$35 for commercial line policies and will appear on the next bill.

IMPORTANT NOTICE ABOUT YOUR PAYMENT PLAN AND LATE PAYMENTS UNDER YOUR PAYMENT PLAN:

If you have selected a payment plan option to pay for Your policy or policies with Us, we will send You a bill or email notification when premium is due. Bills will show (1) the billed minimum amount due on Your account for that month, and (2) the total balance due on Your account, including late and installment fees, if any have been charged. On or before the due date We specify in Your bill, You will be required to pay Us the total billed minimum amount shown in order to stay current in your payments due to Us (excluding any policy or policies that are pending cancellation).

Any time a payment is late and You fall behind on the amount that is owed to Us for the policy premium, we will issue a policy cancellation notice for failure to pay the premium, and we may charge you a late fee. For the first two times you fall behind, if You pay the total amount due before the cancellation effective date indicated in the notice, the policy or policies will remain in effect. If, however, We issue a third cancellation notice for nonpayment of premium, We will accelerate the remaining payments due under the payment plan and require You to pay **the full outstanding policy premium (not just the total billed minimum amount in the most recent bill) on or before the cancellation effective date.** If You do not pay the full outstanding balance on or before the cancellation effective date, We will cancel Your policy. If Your policy or policies are cancelled or expired, Your enrollment in an electronic payment option will continue, despite the fact that the policy(s) have been cancelled with Selective and may remain in effect until such time as any payment for any earned premiums, audit balances or other amounts related to your account are settled. If more than one policy is subject to a payment plan, We will apply partial payments proportionately to the billed minimum amount for each policy. Any policy that is not paid in full after this allocation will be subject to cancellation for nonpayment of premium, as provided in the policy.

Selective Insurance
Main Administrative Offices
40 Wantage Avenue Branchville
New Jersey 07890
(973) 948-3000

"Selective Insurance" refers to the following affiliated insurers:

Selective Insurance Company of America, Selective Way Insurance Company, Selective Insurance Company of South Carolina, Selective Insurance Company of the Southeast, Selective Insurance Company of New York, Selective Insurance Company of New England, Selective Casualty Insurance Company, Selective Fire and Casualty Insurance Company, and Selective Auto Insurance Company of New Jersey. The declarations page of your policy identifies the insurance carrier that issued your "Selective Insurance" policy.

Facts Regarding Premium Audits

To Our Policyholder:

Your policy has been issued with an estimated premium. At the expiration of the policy, either a company representative (Premium Auditor) will contact you or you will receive a written request for information. In either case, the information you provide will be used to determine the final premium under the policy. **Please note that only those policies containing one or more class codes that are rated on an auditable premium basis (such as payroll, receipts/sales, total cost or admissions), are subject to a premium audit.**

Insurance Costs can be minimized by proper record keeping. Frequently exposures can be assigned to lower rated classifications provided this information is obtainable using **your records**. During the final audit, the Premium Auditor will work with you towards this goal of helping you to minimize your insurance costs.

For Businesses Other Than Contractors:

1. The basis of premium used to determine your policy premium may be payroll, receipts or sales, total cost or admissions. These are defined as follows:

A. Payroll:

The total remuneration for services rendered by an employee includes (a) lodging, (b) bonuses, (c) commissions, (d) vacation, holiday, & sick days, (e) standard overtime. Under the General Liability Coverage, payroll does not include (a) payroll of clerical employees (b) salesmen who are away from the premises (c) drivers. Remuneration excludes tips.

B. Receipts/Sales:

The gross amount of money charged for goods or products sold, operations performed, rentals, and dues or fees.

C. Total cost

Total cost of all work let or sublet in connection with each specific project including (a) cost of all labor materials & equipment (b) all fees, bonuses & commissions.

D. Admissions:

The total number of persons, other than employees, admitted to the event insured or to events conducted on the premises whether on paid admissions, tickets, complimentary tickets or passes.

2. In the event commissions or monies are paid to persons you consider to be independent contractors, i.e., Real Estate Salesmen, Insurance Salesmen, Restaurant and/or Nite Club Entertainers, Taxi-Cab operators and others in this category, **please inform your agent immediately.**
3. If you are an Executive Officer and covered under the policy, there may be a payroll or salary limitation. There also is a minimum amount to be charged should you not draw a salary, or draw less than this minimum.

Considerations For Contractors

1. Most Workers' Compensation Laws provide that the General or Principal Contractor shall be responsible for the workers' compensation insurance to employees of sub-contractors, except for any subcontractors who have insured their compensation obligation and have furnished to the contractor satisfactory evidence of such insurance. Satisfactory evidence is a "Certificate of Insurance" with dates corresponding to the time worked for the contractor. These should be retained to show the Premium Auditor.
2. The manual rules permit division of payroll for each separate and distinct operation provided separate records of payroll are maintained and the division is not contrary to classification restrictions.
Note: This rule is very important since those operations which can be classified using this rule, can be used only when separate records of payroll are maintained. Without the proper record keeping, the highest rated classification applying to the job will be used.
3. General Liability-Drivers' payroll is to be excluded in computing premiums for this coverage. For the purposes of this rule, Mobile Equipment Operators are not considered in this category, i.e., their payroll is included and assigned to the classification in which they are engaged.
4. Products and Completed Operations Coverage under General Liability-Mechanical Contractors, i.e., Air Conditioning, Heating, Plumbing and Refrigeration, can minimize their insurance premium costs by keeping separate records on the outright sale and/or cost of units and equipment (for plumbing-appliances and fixtures). Again, one can see the importance of record keeping.

This flier provides only a general overview of premium audit procedures. It is not intended to describe specific coverages afforded by any insurance policy.

We recommend that you examine, in detail, any policy offered to you.
For more information, contact your local Selective agent.

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IMPORTANT NOTICE REGARDING AGENT COMPENSATION

We sell our insurance products and services through appointed independent insurance agencies and agents ("Agent" or "Agents"). Because Agents also generally represent several of our competitors, our primary marketing strategy is to:

- Develop close relationships with each Agent by (i) soliciting their feedback on products and services, (ii) advising them concerning company developments, and (iii) investing significant time with them professionally and socially; and
- Develop with each Agent, and then carefully monitor, annual goals regarding (i) types and mix of risks placed with us, (ii) amounts of premium or numbers of policies placed with us, (iii) customer service levels, and (iv) profitability of business placed with us.

We pay Agents commissions and other consideration for business placed with us (and we do not authorize our Agents to receive other monies for our insurance). We seek to compensate our Agents fairly and in a way consistent with market practices.

Our Agent compensation programs may include one or more of the following depending on the Agent's overall business relationship with us:

- **Commission Payments.** We pay commission based on a percentage of the premium the policyholder pays. The amount of commission varies depending on policy type, state location of risk, and other factors.
- **Additional Commission Payments.** We may pay additional and varying percentages of premium for attainment of certain goals we set with the Agent, including:
 - **Profitability**, which we determine by comparing losses and expenses to premium;
 - **Volume**, which is the amount of premium written with us;
 - **Growth and Retention**, which we measure by comparing premium volume or number of policies for overall or specific types of policies; or
 - **Annual Plan Performance**, which we measure according to performance standards determined by us and the Agent.

In certain cases, an Agent may put additional commissions at risk and become obligated to pay us amounts if certain goals are not met.

- **Expense Reimbursement.** We may reimburse certain marketing and other expenses incurred for placing business with us.
- **Entertainment and Other Things of Value.** We may entertain or provide other things of value, including travel and gratuities, to Agents who we believe provide exceptional value to our policyholders and shareholders.
- **Business Production Incentive Programs.** We may provide Agents or their employees opportunities to receive additional compensation (cash or contest prizes) for certain activities or tasks, such as placing specific types of policies with us or inputting data through one of our technology systems.

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- **Loss Control Agreements.** We may pay Agents a flat fee or a percentage of commission for safety and loss control surveys, inspections, accident or claim investigations.
- **Agent Stock Purchase Plan.** Certain of our Agents participate in a stock purchase plan that allows those Agents to purchase common stock in Selective Insurance Group, Inc. at a 10% discount to market and requires those agents to hold the stock for at least one year before they can transfer it.

As supporters of the independent insurance agency distribution system, we may provide Agents from time-to-time with tools and programs designed to preserve and strengthen the independent agency distribution system, including assistance with producer recruitment and/or training, loans, or loan guarantees. These tools and programs, which may be experimental, are provided to assist our Agents in the perpetuation of robust independent insurance agencies and are not conditioned on the imposition of extraordinary current or future production conditions.

We also distribute our insurance products to a limited extent through select insurance brokers which we compensate with some of the same compensation tools we use for Agents. If you have engaged a broker to place insurance with us, please ask the broker if any of the above described compensation arrangements are in effect with us.

Please direct questions regarding specific compensation to your Agent.

PRAESIDIUM

WHAT YOU DON'T KNOW CAN HURT THOSE IN YOUR CARE AND YOUR ORGANIZATION.

Adopting a solid screening and selection process is your first line of defense in creating a safe environment. A thorough, consistent screening process may also discourage would-be offenders from targeting your organization. Failure to discover a known offender can affect those in your care and the organization's reputation, financial stability, and trust within the community. Who you should screen can depend on many factors, such as if the person is a new full-time hire, a season hire, or even a current employee. In determining the types of checks to utilize, organizations should follow all state, federal, and licensing regulations and consider an individual's level of access. Level of access may be influenced by:

WHO IS PRAESIDIUM?

Praesidium is the national leader in abuse risk management. With more than two decades of experience, and serving thousands of clients, our dedicated team of researchers, psychologists, attorneys, social workers, and human resource professionals have analyzed thousands of cases of abuse in organizations and synthesized the latest scientific research. We know how abuse happens in organizations . . . and how to prevent it.

- **Frequency:** How frequently does the individual work around or interact with consumers? Is it a one-time event or every day?
- **Duration:** What is the duration of the individual's interactions? Is it a one-time, one-hour event or an entire summer?
- **Level of Supervision:** Are the individual's interactions always supervised by another adult or are they one-on-one with consumers?
- **Nature of the Relationship:** What is the nature of the relationship between the individual and the consumers in the program? Does the individual merely supervise an area during an event that has consumers, or are they getting to know individual consumers and families while counseling, tutoring, or providing personal care services?

**Selective Insurance has partnered with Praesidium to offer you
discounted background screening services for your organization.**

FOUR ELEMENTS FOR A THOROUGH BUT COST-EFFECTIVE BACKGROUND CHECK:

- **Check Facts:** Aliases, DOBs, and address history all drive research and help to paint a complete picture.
- **Search Wide:** Multi State criminal and national sex offender databases will identify the unexpected.
- **Search Deep:** Targeted county level searches will give real-time information where records are most likely to be found.
- **Ask Questions:** References can provide insights on behavior and clues to non-criminal boundary issues.

WHO SHOULD YOU SCREEN, AND HOW OFTEN?

- **New Hires/Volunteers:** A thorough, consistently applied background screening process at the time of hire is your first and best opportunity to identify the problem.
- **Seasonal Hires/Volunteers:** Seasonal staff present a unique risk because you don't see them for months at a time, but it's often not practical to complete a full new hire process each season. An annual check-in plan is key.
- **Re-Screening:** Conducting targeted checks on your full-time employees at least every 3 years helps you identify issues before they impact your organization.

For more information go to: selective.com/praesidium - (800.743.6354) - selective@praesidiuminc.com
In order to receive this exclusive benefit please identify yourself as a Selective Insurance agent or insured.

BACKGROUND SCREENING FOR SELECTIVE INSURED

Praesidium offers a selection of background screening packages plus a la carte services to empower your organization to conduct right-sized research. Praesidium's team can help contextualize the screening process as part of an overall culture of safety and discuss how screening works in hand with other abuse prevention efforts. Praesidium's team can also help you understand who to screen, how often, and the importance of re-screening.

In addition to Background Screenings - you can now access Praesidium Academy to add further training on abuse prevention. Praesidium Academy online training includes supporting tools that enhance both the short and long-term effectiveness of the training experience and produce sustainable changes in employee and volunteer behavior. Access to this system is **free** to Selective insureds.

	LOW ACCESS VOLUNTEERS	HIGH ACCESS VOLUNTEERS	EMPLOYEES	FINANCIAL ACCESS	ALA CARTE
	STARTING AT \$16	STARTING AT \$16	STARTING AT \$16	STARTING AT \$37	INDIVIDUAL COST PER SERVICE
Employment Credit (\$60 one-time set up fee required)				X	\$10.00
Confidence Multi State Criminal and Sex Offender Database w/Alias**	X	X	X	X	\$ 9.00
7 Yr County Criminal Records Search: Current County of Residence*	X	X	X	X	\$ 7.00
Add'l Counties Added As Needed Based on 7 yr Address History*		X	X	X	\$ 5.50
County Civil Records Search (upper):1 County*				X	\$11.00
Motor Vehicle Records Search*					\$ 5.00
Employment Verification: 1 Position*					\$ 8.00
Education Verification: 1 Degree*					\$ 7.00
Personal Reference: 1 Reference					\$11.00
Professional Reference: 1 Reference					\$12.00
International Criminal Search 1 Jurisdiction*					\$50.00
Social Media Search: Basic (3 Years)					\$ 7.50
Social Media Search: Pro (7 Years)					\$12.50

* 3rd Party keeper fees may apply and will be passed on at cost when incurred.

** Criminal records found in the Multi State database check are subject to verification at the source and additional costs may apply.

For more information go to: selective.com/praesidium - (800.743.6354) - selective@praesidiuminc.com

In order to receive this exclusive benefit please identify yourself as a Selective Insurance agent or insured.

IMPORTANT NOTICE TO POLICYHOLDERS NORTH CAROLINA UNINSURED/UNDERINSURED MOTORISTS COVERAGE NOTICE

The Laws of the State of North Carolina require that we provide you with notice containing the following information:

You are required to purchase Uninsured Motorist Bodily Injury Coverage, Uninsured Motorist Property Damage Coverage and, in some cases, Underinsured Motorist Bodily Injury Coverage. This insurance protects you and your family against injuries and property damage caused by the negligence of other drivers who may have limited or only minimum coverage or even no liability insurance. You may purchase Uninsured Motorist Bodily Injury Coverage and, if applicable, Underinsured Motorist Coverage with limits up to one million dollars (\$1,000,000) per person and one million dollars (\$1,000,000) per accident or at such lesser limits you choose. You cannot purchase coverage for less than the minimum limits for the bodily injury and property damage coverage that are required for your own vehicle. If you do not choose a greater or lesser limit for Uninsured Motorist Bodily Injury Coverage, a lesser limit for Uninsured Motorist Property Damage Coverage, and/or a greater or lesser limit for Underinsured Motorist Bodily Injury Coverage, then the limits for the Uninsured Motorist Bodily Injury Coverage and, if applicable, the Underinsured Motorist Bodily Injury Coverage will be the same as the highest limits for bodily injury liability coverage for any one of your own vehicles insured under the policy and the limits for the Uninsured Motorist Property Damage Coverage will be the same as the highest limits for Property Damage Liability Coverage for any one of your own vehicles insured under the policy. If you wish to purchase Uninsured Motorist and, if applicable, Underinsured Motorist Coverage at different limits than the limits for your own vehicle insured under the policy, then you should contact your insurance company or agent to discuss your options for obtaining different coverage limits. You should also read your entire policy to understand under Uninsured and Underinsured Motorist Coverages.

The purpose of this notice is informational. This notice does not change or replace the wording in your policy.

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POLICYHOLDER DISCLOSURE NOTICE OFFER OF TERRORISM INSURANCE COVERAGE AND REJECTION FORM — EFFECTIVE UNTIL REVOKED

Offer of Coverage:

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

You may accept or reject insurance coverage for losses resulting from certified "acts of terrorism".

- If you accept this offer of coverage simply pay your billed premium, which includes the amount shown below. You do not need to do anything else.
- If you would like to reject this coverage, please see the section of this form entitled Rejection of Terrorism Insurance Coverage and follow the instructions. Even if you reject this coverage, state law prohibits us from excluding fire losses resulting from an "act of terrorism". Therefore, the terrorism exclusion we place on your policy will contain an exception for fire losses resulting from an "act of terrorism". The additional premium for such fire losses resulting from an "act of terrorism" is shown below. **Please note that if you reject coverage for losses resulting from certified "acts of terrorism", we will not provide coverage on renewals of this policy unless you ask us for coverage in the manner set forth in our "Offer of Terrorism Insurance Coverage When Terrorism Insurance Coverage Was Previously Rejected" form, which will be attached to renewals of this policy.**

Disclosure of Premium:

The portion of your annual premium that is attributable to coverage for "acts of terrorism" is \$108.00 and does not include any charges for the portion of loss that may be covered by the federal government under the Act.

The premium for terrorism (fire only) coverage is \$0.00 and is due regardless of whether you reject coverage for certified "acts of terrorism".

Please be aware that even if you purchase coverage for losses resulting from certified "acts of terrorism", your policy will still contain other policy terms, conditions, limitations and exclusions that may impact whether coverage is available in the event of a loss resulting from a certified "act of terrorism".

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Federal Participation in Payment of Terrorism Losses :

You should know that where coverage is provided by this policy for losses resulting from certified "acts of terrorism", such losses may be partially reimbursed by the United States Government under a formula established by federal law. Under the formula, the United States Government generally reimburses 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

Cap on Insurer Participation in Payment of Terrorism Losses :

You should also know that the Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits United States Government reimbursement as well as insurers' liability for losses resulting from certified "acts of terrorism" when the amount of such losses in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced..

Rejection of Terrorism Insurance Coverage :

You may reject this offer of coverage by checking the box, filling in the information below, signing and returning this form to your agent. If you choose to reject this offer of coverage, we will add an exclusionary endorsement to your policy to eliminate coverage for losses resulting from certified "acts of terrorism".

Rejection of Coverage - Effective Until Revoked☐

I HAVE READ THIS FORM IN ITS ENTIRETY AND DO NOT WANT TO PURCHASE COVERAGE FOR CERTIFIED "ACTS OF TERRORISM". I UNDERSTAND THAT THIS REJECTION IS EFFECTIVE UNTIL I AFFIRMATIVELY REVOKE IT IN THE MANNER SET FORTH IN SELECTIVE'S "OFFER OF TERRORISM INSURANCE COVERAGE WHEN TERRORISM INSURANCE COVERAGE WAS PREVIOUSLY REJECTED" FORM, AND THAT IF I SIGN THIS FORM THIS POLICY AND ANY RENEWALS WILL EXCLUDE COVERAGE FOR LOSSES RESULTING FROM CERTIFIED "ACTS OF TERRORISM".

SELECTIVE INSURANCE COMPANY OF SOUTH CAROLINA

Policyholder/Applicant's Signature

Insurance Company

S 2743815

Print Name

Policy or Quote Number

Title

Date

NORTH CAROLINA SELECTION OF UNINSURED/UNDERINSURED MOTORISTS COVERAGE LIMITS

Policy Number:	Policy Effective Date:
Company:	Producer:
Named Insured:	

North Carolina law permits you to make certain decisions regarding Uninsured Motorists Coverage (UM) and Underinsured Motorists Coverage (UIM). This document describes this coverage and the options available.

You should read this document carefully and contact us or your agent if you have any questions regarding Uninsured Motorists Coverage and Underinsured Motorists Coverage and your options with respect to these coverages.

This document includes general descriptions of coverage. However, no coverage is provided by this document. You should read your policy and review your Declarations Page(s) and/or Schedule(s) for complete information on the coverages you are provided.

OPTIONAL SELECTION OF UNINSURED/UNDERINSURED MOTORISTS COVERAGE LIMITS

Uninsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an uninsured motor vehicle because of bodily injury or property damage caused by an automobile accident. Also included are damages due to bodily injury that result from an automobile accident with a hit-and-run vehicle whose owner or operator cannot be identified.

Underinsured Motorists Coverage provides insurance protection to an insured for compensatory damages which the insured is legally entitled to recover from the owner or operator of an underinsured motor vehicle because of bodily injury caused by an automobile accident.

Unless you select otherwise, your policy will include UM Coverage with limits at least equal to the following limits applicable to any one vehicle insured under your policy that is not a "commercial motor vehicle", as defined in G.S. 20-4.01(3d): (1) the highest bodily injury liability coverage limit with respect to Bodily Injury Uninsured Motorists Coverage; and (2) the highest property damage liability coverage limit with respect to Property Damage Uninsured Motorists Coverage.

If the liability coverage limits and the UM coverage limits in your policy exceed the following minimum limits: (1) \$50,000 bodily injury per person; (2) \$100,000 bodily injury per accident; (3) \$50,000 property damage, your policy must include UIM Coverage with limits equal to the limits of UM Bodily Injury Coverage.

If the liability coverage limits in your policy do not exceed the minimum limits required by law as cited above, your policy will not include UIM Coverage.

You may, however, select optional higher limits for UM Bodily Injury Coverage, up to and including \$1,000,000 per person and \$1,000,000 per accident.

You may also select optional lower limits for UM Bodily Injury Coverage and UM Property Damage Coverage, provided that the limits selected are not less than the following minimum limits: (1) \$50,000 bodily injury per person; (2) \$100,000 bodily injury per accident; and (3) \$50,000 property damage. However, if the minimum limits are selected, then UIM Coverage will not be included in your policy.

"Commercial motor vehicles" as defined in G.S. 20-4.01(3d) includes:

- a. A combination of motor vehicles that has a gross combination weight of at least 26,001 pounds and includes as part of the combination a trailer or semitrailer that has a gross vehicle weight of at least 10,001 pounds;
- b. A single motor vehicle that has a gross vehicle weight of at least 26,001 pounds;
- c. A combination of motor vehicles that includes as part of the combination a towing unit that has a gross vehicle weight of at least 26,001 pounds and a trailer, semitrailer, service or utility trailer that has a gross vehicle weight of less than 10,001 pounds;
- d. Any motor vehicle that is designed to transport 16 or more passengers, including the driver; or
- e. A motor vehicle transporting hazardous materials and is required to be placarded in accordance with 49 C.F.R. Part 172, Subpart F.

(CHOOSE ONLY ONE OF THE FOLLOWING)

We make available the following limits for UM/UIM Coverage. Please indicate your choice by initialing next to the appropriate items and signing below.

(Initials) a. SPLIT LIMIT POLICIES: _____ I select the following Split Limits: Bodily Injury Uninsured Motorists Coverage and Underinsured Motorists Coverage, if Underinsured Motorists Coverage is included in my policy, indicated below. I understand that my policy will not include Underinsured Motorists Coverage if I select Uninsured Motorists Coverage limits of \$50,000/\$100,000. Property Damage Uninsured Motorists Coverage. I understand that my Property Damage Uninsured Motorists Coverage limit cannot exceed the highest property damage liability coverage limit applicable to any one vehicle insured under my policy that is not a "commercial motor vehicle", as defined in G.S. 20-4.01(3d).						
OR						
(Initials) b. COMBINED SINGLE LIMIT POLICIES: _____ I select the following Combined Single Limit for Bodily Injury Uninsured Motorists Coverage, Property Damage Uninsured Motorists Coverage and Underinsured Motorists Coverage, if Underinsured Motorists Coverage is included in my policy, indicated below.						
(Choose one Split Limits Bodily Injury option AND one Property Damage limit option, OR one Combined Single Limit option from the following:)						
(Initials)	Split Limits - Bodily Injury	(Initials)	Property Damage	OR	(Initials)	Combined Single Limit
_____	\$ 50,000/100,000	_____	\$ 50,000		_____	\$ 150,000
_____	100,000/100,000	_____	100,000		_____	250,000
_____	100,000/300,000				_____	350,000
_____	250,000/500,000				_____	500,000
_____	500,000/500,000				_____	1,000,000
_____	500,000/1,000,000					
_____	1,000,000/1,000,000					
_____	_____	_____	_____		_____	_____
	(Other)		(Other)			(Other)
_____ Signature Of Applicant/Named Insured					_____ Date	

Take Advantage of the Breach Solutions Cyber Risk Management Site

As a Cyber Liability and Data Breach Response Coverage policyholder, you have access to www.breachsolutions.com, a proprietary all-in-one risk management portal that provides educational and loss control information on compliance with applicable laws, safeguarding information, preparing to respond to breach incidents, and best practices.

Key Features of the Breach Solutions® Portal

Once registered, you will have unlimited access to the following resources on data security, privacy, and data breaches:

Comply with laws and regulations

- A suite of privacy and security procedures for HIPAA-covered entities
- A full range of sample policies, including:
 - Incident response policy
 - BYOD policy
 - Remote Access policy
 - Acceptable use
 - Policy password management policy
 - and more

Pre-Breach Training

- Educational Training Courses
 - Two-factor authentication
 - Ransomware
 - Working Remotely
 - Phishing
 - Using Social Media
 - Password Security
 - HIPAA

Pre-Breach Risk Reduction

- Employee risk assessment score & actions
 - 20+ employee cyber safety actions to review and complete.
 - Cybersecurity score for the employee
 - Track completion rate and risk themes
 - 25+ Trends & Developments to further build awareness of cyber threats
- Phishing Simulator
 - Example templates include Dropbox, Amazon, Microsoft, etc.
 - Additional templates for specific regions and target brands are available on request
- Track open and click rates of campaigns.
- Configure the timing and frequency of campaigns

Trends and Developments

- Blog posts
- Security alerts and trends

This notice describes access to an unaffiliated third-party service available to you. Selective Insurance Company of America and its affiliates does not control, review or endorse the information or services provided by Breach Solutions, which you use at your own risk. This notice is not part of your policy and neither the information contained in this notice nor on the Breach Solutions portal modifies your policy's coverage.
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Register Now

To access the Breach Solutions portal, you must register and set up your account. It's easy, follow these steps:

URL: http://breachsolutions.com/en_US/license/7dvph07jp65

- Copy and paste the link in your web browser and follow the prompts.
- You'll need to validate your account to access the site. Check your spam or junk folder if you don't receive the activation email after creating your account.

License Code:

- Got to <https://www.breachsolutions.com/>
- Click "Don't have an account?"
- Insert the license code: **7dvph07jp65**
- Follow the prompts to create your account.
- Validate your account. You'll need to validate your account to gain access to the site. Check your spam or junk folder if you don't receive the activation email after creating your account.

Need support? We're here to help. Contact us anytime at beazley@dynarisk.com or (866) 944-4617. Or refer to our training guide.

This notice describes access to an unaffiliated third-party service available to you. Selective Insurance Company of America and its affiliates does not control, review or endorse the information or services provided by Breach Solutions, which you use at your own risk. This notice is not part of your policy and neither the information contained in this notice nor on the Breach Solutions portal modifies your policy's coverage. Copyright, 2025 Selective Insurance Company of America. All rights reserved.

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE — CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE

This Disclosure Notice supplements, as applicable, the "Policyholder Disclosure Notice Offer of Terrorism Insurance Coverage and Rejection Form - Effective Until Revoked" or the "Policyholder Disclosure Notice Offer of Terrorism Insurance Coverage When Terrorism Insurance Coverage was Previously Rejected".

With respect to the Cyber Liability and Data Breach Response Coverage Part only, you are hereby notified that under the Terrorism Risk Insurance Act of 2002, as amended ("TRIA"), insurance coverage provided by this Policy includes, **at no additional charge**, losses arising out of acts of terrorism, **as defined in Section 102(1) of the Act, as amended**: 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 an air carrier or vessel 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. Any coverage you purchase for "acts of terrorism" shall expire at 12:00 midnight December 31, 2027, the date on which the TRIA Program is scheduled to terminate, or the expiry date of the policy whichever occurs first, and shall not cover any losses or events which arise after the earlier of these dates.

YOU SHOULD KNOW THAT COVERAGE PROVIDED BY THIS POLICY FOR LOSSES CAUSED BY CERTIFIED ACTS OF TERRORISM IS PARTIALLY REIMBURSED BY THE UNITED STATES UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES PAYS 80% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER(S) PROVIDING THE COVERAGE. YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A USD100 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 IN ANY ONE CALENDAR YEAR EXCEEDS USD100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED USD100 BILLION, YOUR COVERAGE MAY BE REDUCED.

500000S 2743815 093

CYBER LIABILITY CLAIMS REFERENCE

IN CASE OF CLAIM — FOLLOW THESE INSTRUCTIONS

IF NOTICE OF SUIT OR INCIDENT IS RECEIVED:

- Do **NOT** assume or admit responsibility
- Document your file with reports of all employees'/officers' involvement
- Make **NO** statement to anyone except your legal counsel or insurance company representative.

IMMEDIATELY REPORT ALL SUMMONS AND CLAIMS TO:

cyberclaims@selective.com

AND/OR

YOUR LOCAL SELECTIVE INSURANCE AGENT

OR

SELECTIVE SERVICE CENTER
P. O. Box 13325
RICHMOND, VA
TELEPHONE NUMBER 1-866-455-9969

BE PREPARED TO INCLUDE WITH YOUR REPORT:

- Your policy number
- Insured Name
- Insured Address
- Name, phone number and e-mail address of individual to be contacted
- Description of the incident.

OTHER INFORMATION THAT WILL BE NEEDED FOR CLAIMS HANDLING:

- Are you reporting an actual or suspected breach incident?
- Description of the nature of the breach incident:
 - When did the breach incident occur?
 - In what city and state did the breach incident occur?
 - When did you or your organization first discover that the breach incident occurred?
 - What type of personal or confidential information is potentially implicated by the breach incident?
 - How many individuals do you suspect are affected by the breach incident?
 - If any electronic devices were involved in the breach incident, were they encrypted?

SELECTIVE GROUP OF INSURANCE COMPANIES
40 WANTAGE AVENUE
BRANCHVILLE, NJ 07890
TELEPHONE NUMBER (800)-777-9656

KEEP THIS FORM WITH YOUR POLICY

IMPORTANT NOTICE TO POLICYHOLDERS

Asbestos Exclusion IL 89 56

Broadenings, Reductions, and Clarifications in Coverage

Thank you for choosing Selective for your insurance needs. This notice is intended to help clarify your coverage, highlighting recent changes that include areas of broadening and/or reductions in coverage, to help keep you better informed. This notice does not reference every editorial change made in your policy.

This notice is not part of your policy and does not IMPACT THE AVAILABILITY, OR NATURE OR SCOPE OF YOUR coverage. For complete information on all coverage, terms, conditions, LIMITATIONS and exclusions, please review your policy and its Declarations page CAREFULLY. If there is any conflict between your policy and this notice, the provisions of the policy will govern.

REDUCTIONS IN COVERAGE

Asbestos Exclusion **IL 89 56** has been revised to include the Commercial Inland Marine coverage part. As a result, all inland marine coverage being provided by this policy does not apply to any loss or damage relating to the actual, alleged, or threatened presence of, or exposure to, "asbestos" as defined in the exclusion. This is a reduction in coverage if any of your inland marine coverage has an asbestos exposure.

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NOTICE OF CHANGE IN POLICY TERMS

Following is a material change which reduces or eliminates coverage on the renewal policy as a result of the implementation of revised Astestos Exclusion **IL 89 56**.

Asbestos Exclusion **IL 89 56** has been revised to include the Commercial Inland Marine coverage part. As a result, all inland marine coverage being provided by this policy does not apply to any loss or damage relating to the actual, alleged, or threatened presence of, or exposure to, "asbestos" as defined in the exclusion. This is a reduction in coverage if any of your inland marine coverage has an asbestos exposure.

500000S 2743815 096

Insurance is provided by the Company designated on the Declarations Page of this policy. The addresses of all Selective Insurance Companies are shown below:

Selective Insurance Company of America
40 Wantage Avenue
Branchville, NJ 07890

Selective Way Insurance Company
40 Wantage Avenue
Branchville, NJ 07890

Selective Insurance Company of South Carolina
900 E. 96th Street, Suite 400
Indianapolis, IN 46240

Selective Insurance Company of New York
300 Olympic Towers
300 Pearl Street
Buffalo, NY 14202

Selective Insurance Company of the Southeast
900 E. 96th Street, Suite 400
Indianapolis, IN 46240

Selective Insurance Company of New England
40 Wantage Avenue
Branchville, NJ 07890

Administrative Offices of all Selective Insurance Companies are located at:
40 Wantage Avenue
Branchville, NJ 07890

NOTICE OF INFORMATION PRACTICES (LONG FORM)

MISC-798 06 01

Your application or information you provide in connection with a claim is our major source of information. However, in order to evaluate your application for insurance, to service your policy or to process a claim, we may ask for additional information about you and any person who will be insured under this policy or who is the subject of the claim. This is sometimes necessary to make certain that the statements on your application are accurate or to process the claim. We may also need more details than you have already given us.

INFORMATION WE COLLECT

In connection with an application, the information that we may collect will enable us to make possible judgments about your character, habits, hobbies, finances, occupation, general reputation, health or other personal characteristics. In connection with a claim, the information we may collect will enable us to process the claim.

We may obtain this information from several sources. For example, we may contact any physician, clinic or hospital where any persons to be insured or making a claim have been treated. We may need information from your employer. But, before we ask for information from any of these sources, we will ask you to sign an authorization, which gives us permission to proceed, unless authorization is not required by law.

We may get information by talking or writing to other insurance companies to which you applied for a policy or with which you have made a claim, members of your family, neighbors, friends, your insurance agent and others who know you. We may also obtain information from motor vehicle reports, court records, or photographs of the property you want insured or with regard to which you have made a claim.

CONSUMER REPORTS

It is common for an insurance company to order a report from an independent organization — a consumer reporting agency or an insurance-support organization — to verify and add to the information that you have given us. These reports are used to help us decide if you qualify for the insurance for which you have applied or to evaluate the claim you have made.

They may:

- ☐ pertain to your mode of living, character, general reputation and personal characteristics such as health, job and finances.
- ☐ contain information on your marital status, driving records, etc.
- ☐ include information on the loss history of your property.
- ☐ include information gathered by talking or writing to you or members of your family, neighbors, friends, your insurance agent and others who know you.
- ☐ include information from motor vehicle reports, court records or photographs of your property and/or the property involved in the claim.

Upon your request, the consumer reporting agency or insurance-support organization will attempt to interview you in connection with any report it prepares. The information may be kept by the reporting organization and may later be given to others who use its services. It will be given only to the extent permitted by the Federal Fair Credit Reporting Act and your local state law, if any. Upon request and identification, the consumer reporting agency or insurance-support organization will provide you with a copy of the report.

MISC-798 06 01
Page 1 of 2

INSURED'S COPY

500000S 2743815 098

DISCLOSURE OF INFORMATION

Information we collect about you will not be given to anyone without your consent, except when necessary to conduct our business. There are some disclosures which may be made without your prior authorization. These include:

- _____ Persons or organizations who need the information to perform a professional, business or insurance function for us, such as businesses that assist us with data processing or marketing.
- _____ Other insurance companies, agents, or consumer reporting agencies as it may be needed in connection with any application, policy or claim involving you.
- _____ Adjusters, appraisers, investigators and attorneys who need the information to investigate or settle a claim involving you.
- _____ An insurance -support organization which is established to collect information for the purpose of detecting and preventing insurance crimes or fraudulent claims.
- _____ A medical professional or institution to verify your insurance coverage or inform you of a medical condition of which you may not be aware.
- _____ Persons or organizations that conduct scientific research, including actuarial or underwriting studies.
- _____ Persons or organizations that will use the information for sales purposes, unless you indicate in writing to us that you do not want the information disclosed for this purpose.
- _____ Our affiliated companies for auditing our operations and for marketing an insurance product or service.

In addition, we may provide information to state insurance departments in connection with their regulatory authority and to other governmental or law enforcement authorities to protect our legal interests or in cases of suspected fraud or illegal activities.

YOUR INSURANCE POLICY FILES

Information we collect about you will be kept in our policy files. We may refer to this information if you file a claim for benefits under any policy you have with us or if you apply to us for a new policy. You have the right to know what kind of information we keep in our files about you, to have access to the information, and to receive a copy. There are some types of information; however, to which we are not required to give you access. This type of information is generally collected when we evaluate a claim or when the possibility of a lawsuit exists.

If you want information from your files, please contact us. There may be a nominal charge for copies of records. If you think your file contains incorrect information, notify us indicating what you believe is incorrect and your reasons. We will reinvestigate the matter and either correct our records or place a statement from you in our files explaining why you believe the information is incorrect. We will also notify persons or organizations to whom we previously disclosed the information of the change or your statement.

CONFIDENTIALITY AND SECURITY OF PERSONAL INFORMATION

We restrict access to personal information to those individuals who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with legal standards and ensure the confidentiality of personal information in accordance with our policy.

TREATMENT OF PERSONAL INFORMATION OF FORMER CUSTOMERS AND APPLICANTS

We adhere to this personal information privacy policy even when a customer relationship no longer exists. Disclosures about former applicants and customers may be made without prior authorization as permitted by law.

If you have any questions about our information practices, please contact us.

NOTICE TO POLICYHOLDER

AUD-899 (07/91)

IN THE REPAIR OF YOUR COVERED AUTO UNDER THE PHYSICAL DAMAGE COVERAGE PROVISIONS OF THIS POLICY, WE MAY REQUIRE OR SPECIFY THE USE OF AUTOMOBILE PARTS NOT MADE BY THE ORIGINAL MANUFACTURER. THESE PARTS ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT, QUALITY, PERFORMANCE AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS THEY REPLACE.

500000S 2743815 100

AUD-899 (07/91)

INSURED'S COPY

Issued by The Stock Insurance Company

Policy Number

S 2743815

SELECTIVE INSURANCE COMPANY OF SOUTH CAROLINA
900 E. 96TH STREET, INDIANAPOLIS, IN 46240

COMMERCIAL POLICY COMMON DECLARATION

Named Insured and Address

BURNS FAMILY FARMS INC
1838 ROWAN RD
LUMBERTON, NC 28358-0216

Policy Period

From: JULY 1, 2026

To: JULY 1, 2027

12:01 A.M Standard Time At
Location of Designated Premises.

Named Insured is:
CORPORATION

Producer Number:

00-07450-00000

Producer:

FLATLANDS INSURANCE GROUP
NORTH CAROLINA

Schedule of Coverage

COMMERCIAL AUTOMOBILE COVERAGE
COMMERCIAL INLAND MARINE COVERAGE
CYBER LIABILITY

PREMIUM INCLUDES	TERRORISM - CERTIFIED ACTS	\$108.00
PREMIUM INCLUDES	TERRORISM - AUTO	\$1,499.00

In return for payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance indicated in the schedule above. Insurance is provided only for those coverages for which a specific limit is shown on the attached coverage declaration(s).

PAYMENT METHOD

D/B - Q

Total Policy Premium \$83,395.38

(This premium may be subject to adjustment.)

Date Issued: JULY 16, 2026

Issuing Office: SOUTHERN REGION

Authorized Representative _____

SCHEDULE OF LOCATIONS

Policy Effective Date: July 1, 2026		Schedule Effective Date: JULY 1, 2026	
Prem. No.	Location	Bldg. No.	Occupancy
1	1838 ROWAN RD LUMBERTON, NC 28358	1	1838 ROWAN RD

40000FS 2743815 102

COMMERCIAL POLICY FORMS AND ENDORSEMENT SCHEDULE

Policy Effective Date: July 1, 2026

Schedule Effective Date: JULY 1, 2026

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE COMMON COVERAGE PART:

IL 70 25	1189	COMMERCIAL POLICY COMMON DECLARATION
IL 70 36	0193	SCHEDULE OF LOCATIONS
IL 00 03	0908	CALCULATION OF PREMIUM
IL 00 17	1198	COMMON POLICY CONDITIONS
IL 00 21	0908	NUCLEAR ENERGY LIABILITY EXCLUSION
IL 89 56	0522	ASBESTOS EXCLUSION

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE BUSINESS AUTOMOBILE COVERAGE PART:

CA 41 60	0424	BUSINESS AUTO DEC - PAGE 1
CA 41 61	0424	BUSINESS AUTO DEC - PAGE 2
CA 41 62	0424	BUSINESS AUTO DEC - PAGE 3
CA 41 63	0424	BUSINESS AUTO DEC - PAGE 4
CA 00 01	1120	BUSINESS AUTO COVERAGE FORM
CA 01 26	0125	NORTH CAROLINA CHANGES
CA 04 21	1120	FULL SAFETY GLASS
CA 04 42	1013	EXCL FED EMPLOYEES USING AUTO IN GOV BUS
CA 20 54	1120	EMPLOYEE HIRED AUTOS
CA 21 16	0825	NORTH CAROLINA UNINSURED MOTORISTS COV
CA 23 45	1120	PUBLIC OR LIVERY & ON-DEMAND SRV EXCL
CA 70 38	0818	PHYSICAL DAMAGE COVERAGE
CA 77 74	0706	LIMITED MOBILE EQUIPMENT COVERAGE
CA 78 09NC	0424	ELITEPAC COMMERCIAL AUTO EXTENSION NC
CA 78 16	0424	ELITEPAC COMM AUTO SCHEDULE
CA 89 27	0424	RACING EXCLUSION
CA 89 30	1025	VEHICLE SHARING EXCLUSION
CA 99 03	1013	AUTO MEDICAL PAYMENTS COVERAGE
CA 99 10	1013	DRIVE OTHER CAR COV BROADENED COV NMD

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE COMMERCIAL INLAND MARINE COVERAGE PART:

CM 70 71	0794	COMMERCIAL INLAND MARINE DECLARATIONS
CM 70 96	0792	CONTRACTORS EQUIPMENT COVERAGE
CM 00 01	0904	COMMERCIAL IM CONDITIONS
CM 01 03	0623	NORTH CAROLINA CHANGES
CM 70 97	0726	CONTRACTORS EQUIPMENT COVERAGE FORM
CM 71 99	0726	INLAND MARINE PREMIER PAC
CM 72 00	0112	LIBERALIZATION
IL 02 69	0908	NC CHANGES-CANCELLATION AND NONRENEWAL
IL 09 52	0115	CAP ON LOSS FROM CERT ACTS OF TERRORISM
IL 09 85	1220	DISCL PURSUANT TO TERR RISK INS ACT

THE FOLLOWING FORMS AND ENDORSEMENTS ARE APPLICABLE TO THE CYBER LIABILITY COVERAGE PART:

CB 00 10	1219	CYBER LIABILITY DECLARATIONS CB0010
CB 00 01	1219	CYBER LIABILITY AND DATA BREACH COV FORM
CB 70 08	1219	NC CHANGES
CB 79 08	0620	ADDITIONAL INSURED - AUTO STATUS
CB 80 01	1219	NUCLEAR ENERGY EXCLUSION
CB 80 02	1219	RADIOACTIVE CONTAMINATION EXCLUSION
CB 80 03	1219	SANCTION LIMITATION AND EXCLUSION CLAUSE
CB 80 04	0126	CYBER WAR EXCLUSION
IL 09 85	1220	DISCL PURSUANT TO TERR RISK INS ACT

NOTICE TO POLICYHOLDER: All the forms and endorsements contained in this policy as of the "Schedule Effective Date" are listed above. Forms and endorsements added to the policy after this date will appear on a "Policy Changes" endorsement. Please read your policy and all "Policy Changes" carefully.

NOTE: All applicable "IL" endorsements will be attached in the Common Section of the policy.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

POLICY NUMBER: S 2743815

IL 09 85 12 20

THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

SCHEDULE

SCHEDULE — PART I

Terrorism Premium (Certified Acts) \$108.00

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):

INLAND MARINE COVERAGE PART

Additional information, if any, concerning the terrorism premium:

SCHEDULE — PART II

Federal share of terrorism losses 80 %

(Refer to Paragraph B. in this endorsement.)

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

40000FS 2743815 104

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

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

CALCULATION OF PREMIUM

IL 00 03 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

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.

40000FS 2743815 106

COMMON POLICY CONDITIONS

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

A. Cancellation

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

B. Changes

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

C. Examination Of Your Books And Records

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

D. Inspections And Surveys

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

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

- c. Recommend changes.

2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- a. Are safe or healthful; or

- b. Comply with laws, regulations, codes or standards.

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

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

E. Premiums

The first Named Insured shown in the Declarations:

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

F. Transfer Of Your Rights And Duties Under This Policy

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

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

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

(Broad Form)

IL 00 21 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTOMOBILE COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART
UNDERGROUND STORAGE TANK POLICY

1. The insurance does not apply:

A. Under any Liability Coverage, to "bodily injury" or "property damage":

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

2. As used in this endorsement:

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

NORTH CAROLINA CHANGES — CANCELLATION AND NONRENEWAL

IL 02 69 09 08

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
FARM UMBRELLA LIABILITY POLICY
LIQUOR LIABILITY COVERAGE PART
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART
POLLUTION LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

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

2. Cancellation Requirements

a. Policies In Effect Less Than 60 Days

If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

b. Policies In Effect More Than 60 Days

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 prior to the:

- (1) Expiration of the policy term; or
- (2) Anniversary date,
stated in the policy only for one or more of the following reasons:
 - (a) Nonpayment of premium;
 - (b) An act or omission by the insured or his or her representative that constitutes material misrepresentation or nondisclosure of a material fact in obtaining this policy, continuing this policy or presenting a claim under this policy;

- (c) Increased hazard or material change in the risk assumed that could not have been reasonably contemplated by the parties at the time of assumption of the risk;
- (d) Substantial breach of contractual duties, conditions or warranties that materially affects the insurability of the risk;
- (e) A fraudulent act against us by the insured or his or her representative that materially affects the insurability of the risk;
- (f) Willful failure by the insured or his or her representative to institute reasonable loss control measures that materially affect the insurability of the risk after written notice by us;
- (g) Loss of facultative reinsurance, or loss of or substantial changes in applicable reinsurance as provided in G.S. 58-41-30;
- (h) Conviction of the insured of a crime arising out of acts that materially affect the insurability of the risk;
- (i) A determination by the Commissioner of Insurance that the continuation of the policy would place us in violation of the laws of North Carolina; or

- (j) You fail to meet the requirements contained in our corporate charter, articles of incorporation or by-laws when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.

We will mail or deliver written notice of cancellation to the first Named Insured at least:

- (i) 15 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.
- c. Cancellation for nonpayment of premium will not become effective if you pay the premium amount due before the effective date of cancellation.
- d. We may also cancel this policy for any reason not stated above provided we obtain your prior written consent.

- B. The following provisions are added and supersede any other provisions to the contrary:

1. Nonrenewal

- a. If we elect not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of nonrenewal at least 45 days prior to the:
 - (1) Expiration of the policy if this policy has been written for one year or less; or
 - (2) Anniversary date of the policy if this policy has been written for more than one year or for an indefinite term.
- b. We need not mail or deliver the notice of nonrenewal if you have:
 - (1) Insured property covered under this policy, under any other insurance policy;
 - (2) Accepted replacement coverage; or
 - (3) Requested or agreed to nonrenewal of this policy.
- c. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. The written notice of cancellation or nonrenewal will:

- a. Be mailed or delivered to the first Named Insured and any designated mortgagee or loss payee at their addresses shown in the policy, or if not indicated in the policy, at their last known addresses; and
- b. State the reason or reasons for cancellation or nonrenewal.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

IL 09 52 01 15

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

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

A. Cap On Certified Terrorism Losses

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

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

B. Application Of Exclusions

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

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ASBESTOS EXCLUSION

IL 89 56 05 22

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE PART
BUSINESSOWNERS COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
AUTO DEALERS COVERAGE PART
MOTOR CARRIER COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
PRODUCT/COMPLETED OPERATIONS LIABILITY COVERAGE PART

1. It is agreed that this insurance does not apply to any loss or damage relating to the actual, alleged, or threatened presence of, or exposure to, "asbestos," including inhalation, ingestion, irritation, absorption or other similar physical exposure to "asbestos." Such presence of, or exposure to, "asbestos" includes, but is not limited to:
 - a. Structures or manufacturing processes containing "asbestos";
 - b. The disposal of "asbestos" or goods, products or materials containing "asbestos";
 - c. The storing or presence of "asbestos" or goods, products or materials containing "asbestos"; or
 - d. The removal of "asbestos" from any goods, products, materials, structures or manufacturing processes,whether or not such "asbestos" is airborne.
2. We shall have no obligation under this coverage part:
 - a. To investigate, settle or defend any claim or "suit" against any "insured" alleging actual or threatened injury or damage of any nature or kind to persons or property which arises out of or would not have occurred but for the presence of, or exposure to, "asbestos"; or
 - b. To pay any damages, judgments, settlements, losses, costs or expenses of any kind or nature that may be awarded or incurred by reason of any such claim or suit or any such actual or threatened injury or damage from "asbestos"; or
 - c. For any losses, costs or expenses arising out of any obligation, order, direction or request of or upon any insured or others, including, but not limited to, any governmental obligation, order, direction or request, to test for, monitor, clean up, remove, contain, treat, neutralize, in any way respond to, or assess the effects of "asbestos."
3. "Asbestos" includes asbestos, asbestos fibers, asbestos materials, and asbestos products, or any goods or products containing asbestos or asbestos fibers, materials, or products.

Company Name: SELECTIVE INSURANCE COMPANY OF S.C.

CYBER LIABILITY AND DATA BREACH RESPONSE POLICY DECLARATIONS

INSURING AGREEMENTS 1., 3., 4. AND 5. OF THIS POLICY PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO "CLAIMS" FIRST MADE AGAINST THE INSURED AND REPORTED TO US DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS "CLAIMS EXPENSES" UNDER THIS POLICY SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

INSURING AGREEMENTS 2., 6., 7., 8., 9. AND 10. OF THIS POLICY PROVIDE FIRST PARTY COVERAGE.

Named Insured and Address:

SEE COMMERCIAL POLICY COMMON DECLARATION: IL-7025

Policy Period

From: 07/01/2026

To: 07/01/2027

12:01 A.M Standard Time At
Named Insured Mailing Address.

Producer Number:

00-07450-00000

Producer: FLATLANDS INSURANCE GROUP

Item 1.

Policy Aggregate Limit of Liability:

Aggregate for all loss, including "claims expenses", subject to the following:

\$50,000

Information Security and Privacy Liability Aggregate Limit:

\$50,000

Regulatory Defense and Penalties Aggregate Sublimit:

\$25,000

Website Media and Content Liability Aggregate Limit:

\$50,000

PCI Fines, Expenses and Costs Aggregate Sublimit:

\$25,000

Cyber Extortion Aggregate Sublimit:

\$20,000

First Party Data Protection Aggregate Sublimit:

\$10,000

First Party Network Business Interruption Aggregate Sublimit:

\$10,000

Fraudulent Instruction Aggregate Sublimit:

\$5,000

Electronic Crime Aggregate Sublimit:

\$5,000

Item 2.	
Retention Per "Claim" or Incident	
Information Security and Privacy Liability Retention:	N/A
Regulatory Defense and Penalties Retention:	N/A
Website Media and Content Liability Retention:	N/A
PCI Fines, Expenses and Costs Retention:	N/A
Cyber Extortion Retention:	\$2,500
First Party Data Protection Retention:	\$2,500
First Party Network Business Interruption Retention:	the greater of \$2,500 or income loss during 12 hour waiting period
Fraudulent Instruction Retention:	\$2,500
Electronic Crime Retention:	\$2,500

Item 3.	
Privacy Breach Response Services Aggregate Limit of Coverage The Privacy Breach Response Services Aggregate Limit of Coverage is separate from and in addition to the Policy Aggregate Limit of Liability.	
"Computer Expert Services", "Legal Services" and "Public Relations and Crisis Management Expenses" Aggregate Limit:	\$50,000
Notified Individuals - "Notification Services", "Call Center Services" and "Breach Resolution and Mitigation Services" Aggregate Limit:	5,000 Notified Individuals

Item 4.	
Privacy Breach Response Services Retention Per Incident	
"Computer Expert Services", "Legal Services" and "Public Relations and Crisis Management Expenses" Retention:	N/A
Notified Individuals Threshold:	N/A Notified Individuals

Item 5.	
Retroactive Date	NONE

Policy Premium	\$50.00
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CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE FORM

CYBER LIABILITY AND DATA BREACH RESPONSE
CB 00 01 12 19

PLEASE READ THE ENTIRE POLICY CAREFULLY.

INSURING AGREEMENTS 1., 3., 4. AND 5. OF THIS POLICY PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO "CLAIMS" FIRST MADE AGAINST THE INSURED AND REPORTED TO US DURING THE POLICY PERIOD OR ANY APPLICABLE EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS "CLAIMS EXPENSES" UNDER THIS POLICY SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO RETENTIONS.

INSURING AGREEMENTS 2., 6., 7., 8., 9. AND 10. OF THIS POLICY PROVIDE FIRST PARTY COVERAGE.

IF WE HAVE ISSUED THIS POLICY BASED UPON YOUR APPLICATION FOR THIS INSURANCE, WE HAVE DONE SO BASED UPON INFORMATION ON THAT APPLICATION, WHICH IS A REPRESENTATION OF THE CORRECTNESS OF THE INFORMATION.

The terms and conditions of the Cyber Liability and Data Breach Response Policy govern the scope of coverage and your and our duties. The Application for this insurance coverage will become part of the Policy upon issuance of the coverage.

Throughout this Policy, the words "you" and "your" refer to the "named insured(s)" shown in the Declarations and any other person(s) or organization(s) qualifying as a "named insured" under this Policy.

The words "we", "us" and "our" refer to the company providing this coverage. The word "insured" means any person or organization qualifying as such under **SECTION III — WHO IS AN INSURED.**

This Policy provides cyber liability and data breach response coverage. Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine your rights and duties and what is and is not covered. The terms, conditions, exclusions, and limits of liability set forth in this Policy apply only to the coverage provided by this Policy.

Words and phrases that appear in quotation marks have special meaning. Refer to **SECTION XI — DEFINITIONS.** To the extent any words or phrases used in this Policy are defined elsewhere in endorsements attached to this Policy, such definitions provided elsewhere do not apply to give meaning to the words or phrases used in this Policy.

SECTION I — INSURING AGREEMENTS

Coverage is provided under the following insuring agreements for which limits of liability are shown in the Declarations:

1. Information Security and Privacy Liability

We will pay on behalf of the insured, "damages" and "claims expenses", in excess of the retention, which the insured shall become legally obligated to pay because of any "claim", including a "claim" for a violation of a "privacy law", first made against any insured and reported in writing to us during the "policy period" or any applicable extended reporting period, subject to **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM** for:

- A. theft, loss, or "unauthorized disclosure" of "personally identifiable information" or "third party information" that is in the care, custody or control of the "insured organization", or a third party for whose theft, loss or "unauthorized disclosure" of "personally identifiable information" or "third party information" the "insured organization" is legally liable (a third party shall include a business associate as defined by the Health Insurance Portability and Accountability Act (HIPAA)), provided such theft, loss or "unauthorized disclosure" first takes place on or after the retroactive date and before the end of the "policy period";
- B. one or more of the following acts or incidents that directly result from a failure of "computer security" to prevent a "security breach", provided that such act or incident first takes place on or after the retroactive date and before the end of the "policy period":
 - i. the alteration, corruption, destruction, deletion, or damage to data stored on "computer systems";
 - ii. the failure to prevent transmission of "malicious code" from "computer systems" to computer or network systems that are not owned, operated or controlled by an insured; or
 - iii. the participation by the "insured organization's" "computer systems" in a "denial of service attack" directed against a computer or network systems that are not owned, operated or controlled by an insured;
- C. the "insured organization's" failure to timely disclose an incident described in Paragraphs A. or B. of this section in violation of any "breach notice law"; provided such incident giving rise to the "insured organization's" obligation under a "breach notice law" must first take place on or after the retroactive date and before the end of the "policy period";
- D. failure by the insured to comply with that part of a "privacy policy" that specifically:
 - i. prohibits or restricts the "insured organization's" disclosure, sharing or selling of a person's "personally identifiable information";
 - ii. requires the "insured organization" to provide access to "personally identifiable information" or to correct incomplete or inaccurate "personally identifiable information" after a request is made by a person; or
 - iii. mandates procedures and requirements to prevent the loss of "personally identifiable information";provided the acts, errors or omissions that constitute such failure to comply with a "privacy policy" must first take place on or after the retroactive date and before the end of the "policy period", and the "insured organization" must, at the time of such acts, errors or omissions, have in force a "privacy policy" that addresses those subsections above that are relevant to such "claim"; or
- E. failure by the insured to administer:
 - i. an identity theft prevention program as required by regulations and guidelines promulgated pursuant to 15 U.S.C. Section 1681m(e), as amended, or
 - ii. an information disposal program required by regulations and guidelines promulgated pursuant to 15 U.S.C. Section 1681W, as amended;provided the acts, errors or omissions that constitute such failure must first take place on or after the retroactive date and before the end of the "policy period".

2. Privacy Breach Response Services

We will provide privacy breach response services to the "insured organization", in excess of the retention, because of an incident, or a reasonably suspected incident, described in Paragraphs **A.** or **B.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**, that first takes place on or after the retroactive date and before the end of the "policy period" and is both discovered by the insured and is reported to us during the "policy period" or as otherwise provided in **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM.**

Privacy breach response services means the following:

- A.** "computer expert services";
- B.** "legal services";
- C.** "public relations and crisis management expenses";

Paragraphs **A.** through **C.** are subject to a monetary limit in excess of the retention as noted in the Declarations;

- D.** "notification services" to provide notification to:

- i. individuals who are required to be notified by the "insured organization" under the applicable "breach notice law"; or
- ii. in our discretion, individuals affected by an incident in which their "personally identifiable information" has been subject to theft, loss, or "unauthorized disclosure" in a manner which compromises the security or privacy of such individual by posing a significant risk of financial, reputational or other harm to the individual;

- E.** "call center services"; and

- F.** "breach resolution and mitigation services";

Paragraphs **D.** through **F.** are subject to a maximum notified individual limit and the threshold noted in the Declarations.

Privacy breach response services will be provided subject to the terms and conditions of this Policy, subject to the applicable retentions and limitations set forth in the Declarations and shall not include any internal salary or overhead expenses of the "insured organization". Privacy breach response services will be provided by service providers from our panel selected by us in consultation with the "insured organization".

3. Regulatory Defense and Penalties

We will pay on behalf of the insured, "claims expenses" and "penalties", in excess of the retention, which the insured shall become legally obligated to pay because of any "claim" in the form of a "regulatory proceeding", first made against any insured and reported in writing to us during the "policy period" or any applicable extended reporting period, subject to **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**, for a violation of a "privacy law" and caused by an incident described in Paragraphs **A., B.** or **C.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** that first takes place on or after the retroactive date and before the end of the "policy period". Coverage under this insuring agreement is sub-limited to the amount set forth in the Declarations.

4. Website Media Content Liability

We will pay on behalf of the insured, "damages" and "claims expenses", in excess of the retention, which the insured becomes legally obligated to pay resulting from any "claim" first made against any insured and reported in writing to us during the "policy period" or any applicable extended reporting period, subject to **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**, for one or more of the following acts first committed on or after the retroactive date and before the end of the "policy period" in the course of the "insured organization's" display of "media material" on its website or on social media web pages created and maintained by or on behalf of the "insured organization":

- A.** defamation, libel, slander, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;
- B.** a violation of the rights of privacy of an individual, including false light and public disclosure of private facts;

- C. invasion of or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
- D. plagiarism, piracy or misappropriation of ideas under implied contract;
- E. infringement of copyright;
- F. infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, slogan, service mark, service name; or
- G. improper deep-linking or framing within electronic content.

5. PCI Fines, Expenses and Costs

We will indemnify the insured for "PCI fines, expenses, and costs", in excess of the retention, which the insured shall become legally obligated to pay because of a "claim" first made against any insured and reported in writing to us during the "policy period" or any applicable extended reporting period, subject to **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**. Coverage under this insuring agreement is sub-limited to the amount set forth in the Declarations. **SECTION II — DEFENSE AND SETTLEMENT OF CLAIMS** does not apply to any "claim" for "PCI fines, expenses, and costs" and we will have no obligation to pay "claims expenses" under this insuring agreement.

6. Cyber Extortion

We will indemnify the "named insured" for "cyber extortion loss", in excess of the retention, incurred by the "insured organization" as a direct result of an "extortion threat" first made against the "insured organization" during the "policy period" and reported in writing to us during the "policy period" or as otherwise provided in **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**. We will not pay for "cyber extortion loss" which is part of a series of related "extortion threats" that began prior to the "policy period".

7. First Party Data Protection

We will indemnify the "named insured" for "data protection loss", in excess of the retention, incurred by the "insured organization" as a direct result of:

- A. alteration, corruption, destruction, deletion or damage to a "data asset", or
- B. inability to access a "data asset"

that is directly caused by a failure of "computer security" to prevent a "security breach"; provided that such "security breach" takes place on or after the retroactive date and before the end of the "policy period" and is reported in writing to us during the "policy period" or as otherwise provided in **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**.

8. First Party Network Business Interruption

We will indemnify the "named insured" for "business interruption loss", in excess of the retention, the "insured organization" sustains during the "period of restoration" as a direct result of the actual and necessary interruption of "computer systems" caused directly by a failure of "computer security" to prevent a "security breach"; provided such "security breach" first takes place on or after the retroactive date and before the end of the "policy period" and is reported in writing to us during the "policy period" or as otherwise provided in **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM**.

9. Fraudulent Instruction

We will indemnify the "named insured" for loss, in excess of the applicable retention, resulting directly from an insured having transferred, paid, or delivered any "money" or "securities" as a direct result of "fraudulent instructions", provided such loss is first discovered by the insured and reported in writing to us during the "policy period" or as otherwise provided in **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM** and occurs on or after the retroactive date and before the end of the "policy period".

10. Electronic Crime

We will indemnify the "named insured" for the loss of "money" or "securities", in excess of the applicable retention, contained in a "transfer account" at a "financial institution" resulting directly from "funds transfer fraud" committed solely by a third party; provided that such loss must be discovered by the insured during the "policy period" and reported in writing to us during the "policy period" or as otherwise provided in **SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM** and occurs on or after the retroactive date and before the end of the "policy period".

SECTION II — DEFENSE AND SETTLEMENT OF CLAIMS

1. We shall have the right and duty to defend:

- A. any "claim" against the insured seeking "damages" which are payable under the terms of this Policy, even if any of the allegations of the "claim" are groundless, false or fraudulent; or
- B. under **SECTION I — INSURING AGREEMENTS, 3. Regulatory Defense and Penalties**, any "claim" in the form of a "regulatory proceeding".

Selection of defense counsel shall be mutually agreed upon between the "named insured" and us; however, in the absence of such agreement, our decision shall be final.

2. With respect to any "claim" against the insured seeking "damages" or "penalties" which are payable under this Policy, we will pay "claims expenses" in excess of the retention incurred with our prior written consent. The Limit of Liability available to pay "damages" and "penalties" shall be reduced and may be completely exhausted by payment of "claims expenses".
3. If the insured refuses to consent to any settlement or compromise recommended by us and acceptable to the claimant and elects to contest the "claim", our liability for any "damages", "penalties", and "claims expenses" shall not exceed:
- A. (i) the amount for which the "claim" could have been settled, less the remaining retention, plus the "claims expenses" incurred up to the time of such refusal; plus
 - (ii) sixty percent (60%) of any "claims expenses" incurred after the date such settlement or compromise was recommended to the insured plus sixty percent (60%) of any damages above the amount for which the "claim" could have been settled. The remaining forty percent (40%) of such "claims expenses" and "damages" must be borne by the "insured" at their own risk and uninsured; or

B. the applicable Limit of Liability;

whichever is less, and we shall have the right to withdraw from further defense thereof by tendering control of said defense to the insured. The portion of any proposed settlement or compromise that requires the insured to cease, limit or refrain from actual or alleged infringing or otherwise injurious activity or is attributable to future royalties or other amounts that are not "damages" (or "penalties" for "claims" covered under **SECTION I — INSURING AGREEMENTS, 3. Regulatory Defense and Penalties**) shall not be considered in determining the amount for which a "claim" could have been settled.

4. We agree that the insured may settle any "claim" where the "damages", "penalties" and "claims expenses" do not exceed the retention, provided that the entire "claim" is resolved and the insured obtains a full release on behalf of all insureds from all claimants.

SECTION III — WHO IS AN INSURED

Whether expressed in the singular or plural, insured shall mean:

- 1. The "named insured" and any "subsidiaries" of the "named insured";
- 2. A director, "manager", or officer of the "insured organization", but only with respect to the performance of his or her duties as such on behalf of the "insured organization";
- 3. An employee of the "insured organization", but only for work done while acting within the scope of his or her employment and related to the conduct of the "insured organization's" business;
- 4. A principal if the "named insured" is a sole proprietorship, or a partner if the "named insured" is a partnership, but only with respect to the performance of their duties as such on behalf of the "insured organization";
- 5. Any person previously qualified as an insured under Paragraphs 2., 3. or 4. of this section prior to the termination of the required relationship with the "insured organization", but only with respect to the performance of his or her duties as such on behalf of the "insured organization";
- 6. The estate, heirs, executors, administrators, assigns and legal representatives of any insured in the event of such insured's death, incapacity, insolvency or bankruptcy, but only to the extent that such insured would otherwise be provided coverage under this Policy; and
- 7. The lawful spouse, including any natural person qualifying as a domestic partner under the provisions of any applicable federal, state, or local law in the United States of America, of any insured, but solely by reason of any act, error or omission of an insured other than such spouse or domestic partner.

SECTION IV — EXCLUSIONS

This insurance does not apply to any "claim" or "loss":

1. For, arising out of or resulting from:
 - A. physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress resulting from such physical injury, sickness, disease or death; or
 - B. physical injury to or destruction of any tangible property, including the loss of use thereof; provided that electronic data shall not be considered tangible property for purposes of this exclusion.
2. For, arising out of or resulting from any employer-employee relations, policies, practices, acts or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to employees, whether such "claim" is brought by an employee, former employee, applicant for employment, or relative or domestic partner of such person; provided, that this exclusion shall not apply to an otherwise covered "claim" under Paragraph **A.** or **B.** under **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** by a current or former employee of the "insured organization", or to the providing of privacy breach response services involving current or former employees of the "insured organization".
3. For, arising out of or resulting from any actual or alleged act, error or omission or breach of duty by any director, officer or "manager" in the discharge of their duty if the "claim" is brought by or on behalf of the "named insured", a "subsidiary", or any principals, directors, officers, "managers", stockholders, members or employees of the "named insured" or a "subsidiary" in his or her capacity as such.
4. For, arising out of or resulting from any contractual liability or obligation or arising out of or resulting from breach of contract or agreement, either oral or written; however, this exclusion will not apply:
 - A. with respect only to the coverage provided pursuant to Paragraph **A.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**, to any obligation of the "insured organization" to maintain the confidentiality or security of "personally identifiable information" or of "third party information";
 - B. with respect only to Paragraph **D.** of **SECTION I — INSURING AGREEMENTS, 4. Website Media Content Liability**, for misappropriation of ideas under implied contract;
 - C. to "computer expert services" or "legal services" covered under **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services**;
 - D. to "PCI fines, expenses and costs" covered under **SECTION I — INSURING AGREEMENTS, 5. PCI Fines, Expenses and Costs**, or
 - E. to the extent the insured would have been liable in the absence of such contract or agreement.
5. For, arising out of or resulting from any actual or alleged antitrust violation, restraint of trade, unfair competition, or false, deceptive or misleading advertising or violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act, as amended.
6. For, arising out of or resulting from any actual or alleged false, deceptive or unfair trade practices; however, this exclusion does not apply to:
 - A. any "claim" covered under Paragraphs **A.**, **B.** or **C.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** or **SECTION I — INSURING AGREEMENTS, 3. Regulatory Defense and Penalties**; or
 - B. the provision of privacy breach response services covered under **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services**;that results from a theft, loss or "unauthorized disclosure" of "personally identifiable information" provided that no member of the "control group" participated or colluded in such theft, loss or "unauthorized disclosure".
7. For, arising out of or resulting from:
 - A. the actual or alleged unlawful collection, acquisition or retention of "personally identifiable information" (except as otherwise covered under Paragraph **E.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**) or other personal information by, on behalf of, or with the consent or cooperation of the "insured organization"; or the failure to comply with a legal requirement to provide individuals with the ability to assent to or withhold assent (e.g. opt-in or opt-out) from the collection, disclosure or use of "personally identifiable information"; provided that this exclusion shall not apply to the actual or alleged unlawful collection, acquisition or retention of "personally identifiable information" by a person or entity that is not a "related party" and without the knowledge of the "insured organization"; or

- B. the distribution of unsolicited email, text messages, direct mail, or facsimiles, wiretapping, audio or video recording, or telemarketing, if such distribution, wiretapping or recording is done by or on behalf of the "insured organization".
- 8. For, arising out of or resulting from:
 - A. that which was the subject of written notice given to us or to any other insurer prior to the inception date of this coverage; or
 - B. which was the subject of any prior and/or pending written demand made against any insured or a civil administrative or arbitration proceeding commenced against any insured, prior to the inception date of this coverage, or that involved the same or substantially the same fact, circumstance or situation underlying or alleged in such prior demand or proceeding.
- 9. For, arising out of or resulting from any related or continuing acts, errors, omissions, incidents or events where the first such act, error, omission, incident or event was committed or occurred prior to the retroactive date.
- 10. For, arising out of resulting from any of the following:
 - A. any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act or RICO), as amended;
 - B. any actual or alleged violation of any securities law, regulation or legislation, including but not limited to the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Act of 1940, the Sarbanes-Oxley Act of 2002 or any Blue Sky laws;
 - C. any actual or alleged acts, errors or omissions related to any of the "insured organization's" pension, healthcare, welfare, profit sharing, mutual or investment plans, funds of trusts, including any violation of any provision of the Employee Retirement Income Security Act of 1974 (ERISA);
 - D. any actual or alleged violation of a regulation promulgated under any of the laws described in Paragraphs **A.**, **B.** or **C.** above; or
 - E. any actual or alleged violation of a federal, state, local or foreign laws or legislation similar to the laws described in Paragraphs **A.**, **B.** or **C.** above;

however, this exclusion does not apply to any otherwise covered "claim" under Paragraph **A.**, **B.** or **C.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** or to providing privacy breach response services covered under **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services**, that results from a theft, loss or "unauthorized disclosure" of "personally identifiable information", provided that no member of the "control group" participated or colluded in such theft, loss or "unauthorized disclosure".

- 11. Any actual or alleged unlawful discrimination of any kind including but not limited to age, color, race, sex, creed, national origin, marital status, sexual preference, disability or pregnancy.
- 12. Arising out of or resulting from any criminal, dishonest, fraudulent, or malicious act, error or omission, any intentional "security breach", intentional violation of a "privacy policy", or intentional or knowing violation of the law, if committed by an insured, or by others if the insured colluded or participated in any such conduct or activity; provided this exclusion shall not apply to:
 - A. "claims expenses" incurred in defending any "claim" alleging the foregoing until such time as there is a final adjudication, judgment, binding arbitration decision or conviction against the insured which is not subject to appeal, or written admission by the insured, establishing such conduct, or a plea of nolo contendere or no contest regarding such conduct, at which time the "named insured" shall reimburse us for all "claims expenses" incurred defending the "claim" and we shall have no further liability for "claims expenses"; or
 - B. a "claim" or "loss" against a natural person insured if such insured did not personally commit, participate in or know about any act, error, omission, incident or event giving rise to such "claim" or "loss".

For purposes of this exclusion, only acts, errors, omissions or knowledge of a member of the "control group" will be imputed to the "insured organization".

- 13. For, arising out of or resulting from any actual or alleged:
 - A. infringement of patent or patent rights or misuse or abuse of patent or patent rights;
 - B. infringement of copyright arising from or related to software code or software products other than infringement resulting from a theft or "unauthorized access or use" of software code by a person who is not a "related party";

- C. use or misappropriation of any ideas, trade secrets or third party corporate information by, or on behalf of, the "insured organization", or by any other person or entity if such use or misappropriation is done with the knowledge, consent or acquiescence of a member of the "control group";
 - D. disclosure, misuse or misappropriation of any ideas, trade secrets or confidential information that came into the possession of any person or entity prior to the date the person or entity became an employee, officer, director, "manager", principal, partner or "subsidiary" of the insured; or
 - E. under Paragraph B. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**, theft of or "unauthorized disclosure" of data.
14. In connection with or resulting from a "claim" brought by or on behalf of any state, federal, local or foreign governmental entity, in such entity's regulatory or official capacity; provided, this exclusion shall not apply to an otherwise covered "claim" under **SECTION I — INSURING AGREEMENTS, 3. Regulatory Defense and Penalties** or to the provision of privacy breach response services under **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services** to the extent such services are legally required to comply with a "breach notice law".
15. For, arising out of or resulting from a "claim" by or on behalf of one or more insureds under this Policy against any other insured or insureds under this Policy, provided this exclusion shall not apply to an otherwise covered "claim" under Paragraphs A., B. or C. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** made by a current or former employee of the "insured organization".
16. For, arising out of or resulting from:
- A. any "claim" made by any business enterprise in which any insured has greater than a fifteen percent (15%) ownership interest or made by any parent company or other entity which owns more than fifteen percent (15%) of the "named insured"; or
 - B. the insured's activities as a trustee, partner, member, "manager", officer, director or employee of any employee trust, charitable organization, corporation, company or business other than that of the "insured organization".
17. For, arising out of or resulting from any of the following:
- A. trading losses, trading liabilities or change in value of accounts;
 - B. any loss, transfer or theft of monies, securities or tangible property of others in the care, custody or control of the "insured organization";
 - C. the monetary value of any transactions or electronic fund transfers by or on behalf of the insured which is lost, diminished, or damaged during transfer from, into or between accounts; or
 - D. the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount; provided that subsections A., B. and C. of this exclusion shall not apply to "loss" covered under **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction** or **10. Electronic Crime**.
18. For, arising out of or resulting from:
- A. the actual or alleged obligation to make licensing fees or royalty payments;
 - B. any costs or expenses incurred or to be incurred by the insured or others for the reprinting, reposting, recall, removal or disposal of any "media material" or any other information, content or media, including any media or products containing such "media material", information, content or media;
 - C. any "claim" brought by or on behalf of any intellectual property licensing bodies or organizations;
 - D. the actual or alleged inaccurate, inadequate or incomplete description of the price of goods, products or services, cost guarantees, cost representations, or contract price estimates, the authenticity of any goods, products or services, or the failure of any goods or services to conform with any represented quality or performance;
 - E. any actual or alleged gambling, contest, lottery, promotional game or other game of chance; or
 - F. any "claim" made by or on behalf of any independent contractor, joint venture or venture partner arising out of or resulting from disputes over ownership of rights in "media material" or services provided by such independent contractor, joint venture or venture partner.

19. For, arising out of or resulting from, directly or indirectly occasioned by, happening through or in consequence of: war, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power or confiscation or nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority; provided that this exclusion will not apply to cyber terrorism. For purposes of this exclusion, cyber terrorism means the premeditated use of disruptive activities, or threat to use disruptive activities, against a computer system or network with the intention to cause harm, further social, ideological, religious, political or similar objectives, or to intimidate any person(s) in furtherance of such objectives.
20. Either in whole or in part, directly or indirectly arising out of or resulting from or in consequence of, or in any way involving:
- A. asbestos, or any materials containing asbestos in whatever form or quantity;
 - B. the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind; any action taken by any party in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; and any governmental or regulatory order, requirement, directive, mandate or decree that any party take action in response to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of fungi, molds, spores or mycotoxins of any kind, such action to include investigating, testing for, detection of, monitoring of, treating, remediating or removing such fungi, molds, spores or mycotoxins; we will have no duty or obligation to defend any insured with respect to any "claim" or governmental or regulatory order, requirement, directive, mandate or decree which either in whole or in part, directly or indirectly, arises out of or results from or in consequence of, or in any way involves the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, molds, spores or mycotoxins of any kind;
 - C. the existence, emission or discharge of any electromagnetic field, electromagnetic radiation or electromagnetism that actually or allegedly affects the health, safety or condition of any person or the environment, or that affects the value, marketability, condition or use of any property; or
 - D. the actual, alleged or threatened discharge, dispersal, release or escape of pollutants; or any governmental, judicial or regulatory directive or request that the insured or anyone acting under the direction or control of the insured test for, monitor, clean up, remove, contain, treat, detoxify or neutralize pollutants. Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant including gas, acids, alkalis, chemicals, heat, smoke, vapor, soot, fumes or waste. Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed.
21. With respect to **SECTION I — INSURING AGREEMENTS, 7. First Party Data Protection** and **8. First Party Network Business Interruption**, for, arising out of or resulting from:
- A. any failure or malfunction of electrical or telecommunication infrastructure or services, provided that this exclusion shall not apply to any otherwise covered "claim" or "loss" arising out of failure of "computer security" to prevent a "security breach" that was solely caused by a failure or malfunction of telecommunications infrastructure or services under the insured's direct operational control;
 - B. fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God or other physical event; or
 - C. any satellite failures.
22. With respect to **SECTION I — INSURING AGREEMENTS, 6. Cyber Extortion**, for, arising out of or resulting from:
- A. any threat to physically harm or kidnap any person; or
 - B. any threat to harm, take, or transfer property other than any "data asset", even if such threat is made in conjunction with a threat to a "data asset".
23. With respect to **SECTION I — INSURING AGREEMENTS, 6. Cyber Extortion**, for, arising out of or resulting from an "extortion threat" first made against the "insured organization" during the "policy period" by any of the "insured organization's" directors, officers, principals, trustees, governors, "managers", members, management committee members, members of the management board, partners, or any person in collusion with any of the foregoing.
24. Arising out of or resulting from any seizure, nationalization, confiscation or destruction of "computer systems" or "data assets" by order of any governmental or public authority.

25. With respect to **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction**, for, arising out of or resulting from, either directly or indirectly:
- A. the actual or alleged use of credit, debit, charge, access, convenience, customer identification or other cards;
 - B. any transfer of money, goods, information or other item involving any person or entity that had authorized access to the insured's authentication mechanism;
 - C. the processing of, or the failure to process, credit, check, debit, personal identification number debit, electronic benefit transfers or mobile payments for merchant accounts;
 - D. any "fraudulent instruction" that was not verified with the requestor using an "out-of-band authentication";
 - E. the failure of any party to perform, in whole or in part, under any contract or agreement;
 - F. the failure, malfunction, inadequacy or illegitimacy of any product or service;
 - G. accounting or arithmetical errors or omissions;
 - H. indirect or consequential loss of any kind including income not realized as the result of a covered loss;
 - I. fees, costs or expenses incurred in defending or prosecuting any legal proceeding or claim; or
 - J. any transfer of "money" or "securities" to a "third party" or "vendor" where the received funds have been returned before having cleared the insured's bank account.
26. With respect to **SECTION I — INSURING AGREEMENTS, 10. Electronic Crime**, for, arising out of or resulting from, either directly or indirectly:
- A. the type or kind covered by the "insured organization's" financial institution bond or commercial crime policy, regardless of any deductible amount or Limit of Liability;
 - B. any actual or alleged fraudulent, dishonest or criminal act or omission by any "employee", whether acting alone or in collusion with any other person or entity;
 - C. indirect or consequential loss of any kind;
 - D. punitive, exemplary or multiplied damages of any kind or any fines, penalties or loss of any tax benefit;
 - E. the giving or surrendering of any "money" or "securities" in any exchange or purchase, whether fraudulent or not;
 - F. fees, costs or expenses incurred or paid by the "insured organization" in defending or prosecuting any legal proceeding or claim;
 - G. proving or establishing the existence of loss under this Policy;
 - H. the theft, disappearance, destruction of, or unauthorized access to, confidential information including, but not limited to, trade secrets, customer lists, and intellectual property;
 - I. any "fraudulent instruction" if the sender, or anyone acting in collusion with the sender, ever had access to the "insured organization's" password, PIN (personal identification number) or other security code;
 - J. any forged, altered or fraudulent negotiable instruments, "securities", documents or instructions;
 - K. any actual or alleged use of credit, debit, charge, access, convenience or other cards or the information contained on such cards;
 - L. damages of any type for which the "insured organization" is legally liable, except for direct compensatory damages arising directly from "funds transfer fraud"; or
 - M. costs or expenses incurred by a customer or client of the "insured organization".

SECTION V — LIMIT OF LIABILITY AND COVERAGE

1. The Policy Aggregate Limit of Liability set forth in the Declarations is our combined total Limit of Liability for all "damages", "penalties", "PCI fines, expenses and costs", "cyber extortion loss", "data protection loss", "business interruption loss" and "claims expenses" and loss under **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction** and **10. Electronic Crime** payable under this Policy.
2. The Information Security and Privacy Liability Aggregate Limit stated in the Declarations is the aggregate Limit of Liability payable under **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability.
3. The Regulatory Defense and Penalties Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 3. Regulatory Defense and Penalties** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability.

4. The Website Media Content Liability Aggregate Limit stated in the Declarations is the aggregate limit of liability payable under **SECTION I — INSURING AGREEMENTS, 4. Website Media Content Liability** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability.
5. The PCI Fines, Expenses and Costs Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 5. PCI Fines, Expenses and Costs** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability.
6. The Cyber Extortion Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 6. Cyber Extortion** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability. Multiple related or continuing "extortion threats" shall be considered a single "extortion threat" for purposes of this Policy and shall be deemed to have occurred at the time of the first such "extortion threat". Prior to the payment of any "extortion payment", the "insured organization" shall make every reasonable effort to determine that the "extortion threat" is not a hoax, or otherwise not credible. The "insured organization" shall take all steps reasonable and practical to avoid or limit the payment of an "extortion payment".
7. The First Party Data Protection Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 7. First Party Data Protection** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability. A "data protection loss" will be deemed to occur at the time such alteration, corruption, destruction, deletion of damage to or inability to access a "data asset" is first discovered by the "insured". All "data protection loss" that arises out of the same or a continuing "security breach", from related or repeated "security breaches", or from multiple "security breaches" resulting from a failure of "computer security" shall be deemed to be a single "data protection loss".
8. The First Party Network Business Interruption Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 8. First Party Network Business Interruption** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability. All "business interruption loss" resulting from multiple covered interruptions of "computer systems" that arise out of the same or a continuing "security breach", from related or repeated "security breaches", or from multiple "security breaches" resulting from a failure of "computer security" shall be deemed to be a single "business interruption loss"; provided, however, that a separate "waiting period" shall apply to each "period of restoration".
9. The Fraudulent Instruction Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability. All losses arising out of or resulting from the same "fraudulent instruction", multiple or series of "fraudulent instructions" purporting to be from the same "vendor", "client" or "authorized employee" or related "vendors", "clients" or "authorized employees", or multiple or a series of "fraudulent instructions" from the same third party or related "third parties" shall be deemed to be each a single loss under this Policy subject to the "retention".
10. The Electronic Crime Aggregate Sublimit stated in the Declarations is the aggregate sublimit of liability payable under **SECTION I — INSURING AGREEMENTS, 10. Electronic Crime** of this Policy and is part of and not in addition to the Policy Aggregate Limit of Liability.
11. Neither the inclusion of more than one insured under this Policy, nor the making of "claims" by more than one person or entity shall increase the applicable Aggregate Limit, Aggregate Sublimit or Policy Aggregate Limit of Liability.
12. We shall not be obligated to pay any "damages", "penalties", "PCI Fines, Expenses and Costs", "cyber extortion loss", "data protection loss", "business interruption loss" or "claims expenses", or loss under **Section I — Insuring Agreements, 9. Fraudulent Instruction** and **10. Electronic Crime**, or to undertake or continue defense of any suit or proceeding after the Policy Aggregate Limit of Liability has been exhausted by payment of "damages", "penalties", "PCI Fines, Expenses and Costs", "cyber extortion loss", "data protection loss", "business interruption loss", "claims expenses", or loss under **Section I — Insuring Agreements, 9. Fraudulent Instruction** and **10. Electronic Crime**, or after deposit of the Policy Aggregate Limit of Liability in a court of competent jurisdiction. Upon such payment, we shall have the right to withdraw from further defense of any "claim" under this Policy by tendering control of said defense to the insured.
13. The Notified Individuals Aggregate Limit stated in the Declarations is the maximum total number of "notified individuals" to whom notification will be provided or attempted for all incidents or series of related incidents giving rise to an obligation to provide "notification services", "call center services" or "breach resolution and mitigation services".

14. The Aggregate Limit of Coverage stated for "computer expert services", "legal services" and "public relations and crisis management expenses" in the Declarations is the aggregate limit of coverage for all "computer expert services", "legal services" and "public relations and crisis management expenses" combined. This is a separate limit, apart from and in addition to the Policy Aggregate Limit of Liability.
15. If the total number of notifications made pursuant to Paragraph D. of **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services** aggregates to more than the Notified Individuals Aggregate Limit stated in the Declarations, the "insured organization" will be responsible for paying for privacy breach response services with respect to any excess notification, and such costs will not be covered under this Policy. If an incident involves notifications made pursuant to Paragraph C. of **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services** both within the Notified Individuals Aggregate Limit stated in the Declarations and in excess of such limit, all excess notifications will be provided by the same service provider that provides "notification services" covered under this Policy, and the costs will be allocated between us and the "insured organization" pro rata based on the number of covered and non-covered notifications.
16. To the extent privacy breach response services costs are covered pursuant to a "claim" as described in Paragraph 6.D. of **SECTION XI — DEFINITIONS**, such "costs" shall be covered solely under **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**.

SECTION VI — RETENTION

1. The retention amounts set forth in the Declarations apply separately to each incident, event or related incidents or events giving rise to a "claim". The retention shall be satisfied by monetary payments up to the retention amounts set forth in the Declarations by the "named insured" of "damages", "claims expenses", "penalties" or "PCI Fines, Expenses and Costs".
2. "Notification services", "call center services" and "breach resolution and mitigation services" will only be provided for each incident, event or related incidents or events, requiring notification to at least the number of individuals in the "notified individuals" threshold amount set forth in the Declarations. For incidents involving notification to fewer individuals, there shall be no coverage for any such services.
3. For all "computer expert services", "legal services" and "public relations and crisis management expenses", the retention amount set forth in the Declarations applies separately to each incident, event or related incidents or events, giving rise to an obligation to provide such services; and the applicable retention stated in the Declarations shall be satisfied by monetary payments by the "named insured" for such services.
4. With respect to **SECTION I — INSURING AGREEMENTS, 6. Cyber Extortion**, the retention set forth in the Declarations applies separately to each "extortion threat". The retention shall be satisfied by monetary payments by the "named insured" of covered "cyber extortion loss".
5. With respect to **SECTION I — INSURING AGREEMENTS, 7. First Party Data Protection**, the retention set forth in the Declarations applies separately to each "security breach". The retention shall be satisfied by monetary payments by the "named insured" of covered "data protection loss".
6. With respect to **SECTION I — INSURING AGREEMENTS, 8. First Party Network Business Interruption**, the retention set forth in the Declarations applies separately to each "security breach". The retention shall be satisfied by covered "business interruption loss" retained by the "insured organization". The retention applicable to **SECTION I — INSURING AGREEMENTS, 8. First Party Network Business Interruption** shall be reduced on a dollar-for-dollar basis by the amount of "income loss" that was sustained by the "insured organization" during the "waiting period".
7. With respect to **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction** and **10. Electronic Crime**, the "retention" amount set forth in the Declarations applies separately to each incident, event, or related incidents or events, giving rise to an obligation to pay loss under these insuring agreements.
8. In the event that any "damages", "claims expenses", "penalties" or "PCI Fines, Expenses and Costs" arising out of a "claim" are subject to more than one retention, the applicable retention amount shall apply to such "damages", "claims expenses", "penalties" or "PCI Fines, Expenses and Costs", provided, that the sum of such retention amounts shall not exceed the largest applicable retention amount.
9. In the event that "cyber extortion loss", "data protection loss" or "business interruption loss" arising out of a single incident are subject to more than one retention, the applicable retention amounts shall apply to such "cyber extortion loss", "data protection loss" or "business interruption loss", provided that the sum of such retention amounts shall not exceed the largest applicable retention amount.

10. Satisfaction of the applicable retention is a condition precedent to the payment by us of any amounts or providing of any services hereunder, and we shall be liable only for the amounts in excess of such retention subject to our total liability not exceeding the Policy Aggregate Limit of Liability or Aggregate Limits of Coverage for "privacy breach response services" set forth in the Declarations. The "named insured" shall make direct payments within the retention to appropriate other parties designated by us.

SECTION VII — EXTENDED REPORTING PERIODS

1. This provision applies only to **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability, 3. Regulatory Defense and Penalties, 4. Website Media Content Liability** and **5. PCI Fines, Expenses and Costs**.

2. We will provide an extended reporting period, as described below, if:

- A. This policy is cancelled or not renewed for any reason except for the non-payment of premium ; or
- B. We renew or replace this policy with insurance that has a retroactive date later than the date shown in the Declarations of this policy.

3. A Basic Extended Reporting Period is automatically provided without additional charge. This period starts with the end of the "policy period" and lasts for sixty (60) days.

The Basic Extended Reporting Period does not apply to "claims" that are covered under any subsequent insurance you purchase, or that would be covered but for exhaustion of the amount of insurance applicable to such "claims".

4. A Supplemental Extended Reporting Period option of one (1) year is available, but only by an endorsement and for an extra charge. This supplemental period starts when the Basic Extended Reporting Period, as described in Paragraph 3. above, ends.

You must give us a written request for the endorsement within 60 days after the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

The additional premium for the Supplemental Extended Reporting Period shall be one hundred percent (100%) of the current term's annual premium.

This Supplemental Extended Reporting Period endorsement shall set forth the terms, not inconsistent with this Section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Supplemental Extended Reporting Period starts.

5. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. They apply only to "claims" arising out of any act, error or omission committed on or after the retroactive date, if any, shown in the Declarations and before the end of the "policy period".

"Claims" for such injury or damage which are first received and recorded during the Basic Extended Reporting Period (or during the Supplemental Extended Reporting Period, if it is in effect) will be deemed to have been made on the last day of the "policy period".

6. The limit of liability for the extended reporting periods shall be part of, and not in addition to, the applicable Policy Aggregate Limit of Liability for the "policy period". The extended reporting periods do not in any way increase the Policy Aggregate Limit of Liability or any sublimit of liability.

7. At the commencement of the Supplemental Extended Reporting Period the entire premium shall be deemed earned, and in the event the "named insured" terminates the Supplemental Extended Reporting Period for any reason prior to its natural expiration, we will not be liable to return any premium paid for the Supplemental Extended Reporting Period.

SECTION VIII — NOTICE AND DUTIES IN THE EVENT OF A CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. With respect to **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability, 3. Regulatory Defense and Penalties, 4. Website Media Content Liability** and **5. PCI Fines, Expenses and Costs**:

- A. If any "claim" is made against the insured, the "named insured" shall forward as soon as practicable to us written notice of such "claim" by facsimile, email or express or certified mail, together with every demand, notice, summons or other process received by the insured or the insured's representative. In no event shall we be given notice of a "claim" later than the end of the "policy period" or any applicable extended reporting period.

- B. If, during the "policy period", the "named insured" becomes aware of any circumstance that could reasonably be the basis for a "claim", it may give written notice to us in the form of a facsimile, email or express or certified mail as soon as practicable during the "policy period". Such notice must include:
- i. the specific details of the act, error, omission, or "security breach" that could reasonably be the basis for a "claim";
 - ii. the injury or damage which may result or has resulted from the circumstance; and
 - iii. the facts by which the insured first became aware of the act, error, omission or "security breach".

Any subsequent "claim" made against the insured arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to us.

- C. A "claim" or legal obligation under Paragraph A. of this section shall be considered to be reported to us when written notice is first received by us in the form of a facsimile, email or express or certified mail of the "claim" or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a "claim" if provided in compliance with this paragraph.

- D. In the event coverage is renewed by us and privacy breach response services are provided because of such incident or suspected incident that was discovered by the "insured" prior to the expiration of this coverage, and first reported during the "policy period" or any applicable extended reporting period, then any subsequent "claim" arising out of such incident or suspected incident is deemed to have been made during this "policy period".

2. With respect to **SECTION I — INSURING AGREEMENT, 2. Privacy Breach Response Services** and **6. Cyber Extortion**:

- A. If any incident, or reasonably suspected incident, described in Paragraphs A. or B. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** occurs, or in the event of an "extortion threat" under **SECTION I — INSURING AGREEMENTS, 6. CYBER EXTORTION**, the "named insured" must report such incident, or reasonably suspected incident, to us in writing by facsimile, email or express or certified mail as soon as practicable during the "policy period" after discovery by the insured. In no event shall we be given notice of such incident later than the end of the "policy period" or sixty (60) days after the expiration date of the "policy period".

3. With respect to **SECTION I — INSURING AGREEMENT, 7. First Party Data Protection** and **8. First Party Network Business Interruption**:

A. Notice of "Data Protection Loss" or "Business Interruption Loss"

- i. With respect to **SECTION I — INSURING AGREEMENT, 7. First Party Data Protection**, the "named insured" must forward written notice by facsimile, email or express or certified mail immediately upon discovery of alteration, corruption, destruction, deletion or damage to or inability to access a "data asset" to which this Policy applies. In no event shall we be given notice of "data protection loss" later than the end of the "policy period" or sixty (60) days after the expiration date of the "policy period".
- ii. With respect to **SECTION I — INSURING AGREEMENT, 8. First Party Network Business Interruption**, the "named insured" must forward written notice by facsimile, email or express or certified mail immediately upon discovery of the interruption or suspension of "computer systems" to which this Policy applies. In no event shall we be given notice of "business interruption loss" later than the end of the "policy period" or sixty (60) days after the expiration date of the "policy period".

B. Proof of Loss and Appraisal

- i. Before coverage will apply, the "named insured" must prepare and submit to us a written and detailed proof of loss sworn by an officer of the "named insured" within ninety (90) days after the insured discovers a "data protection loss" or the "insured organization" sustains a "business interruption loss", as applicable, but in no event later than six (6) months following the end of the "policy period" (unless such period has been extended by our written consent). Such proof of loss shall include a narrative with full particulars of such "data protection loss" or "business interruption loss", including, the time, place and cause of the "data protection loss" or "business interruption loss", a detailed calculation of any "data protection loss" or "business interruption loss", the "insured organization's" interest and the interest of all others in the property, the sound value thereof and the amount of "data protection loss" or "business interruption loss" or damage thereto and all other insurance thereon.

- ii. The "named insured" must, upon our request, submit to an examination under oath and provide copies of the underlying documents, data and materials that reasonably relate to or are part of the basis of the claim for such "data protection loss" or "business interruption loss". The costs and expenses of preparing and submitting a proof of loss, and establishing or proving "data protection loss", "business interruption loss" or any other "loss" under this Policy shall be the insured's obligation.
- iii. If we do not agree with the "named insured" on the amount of a "data protection loss" or a "business interruption loss", each party shall select and pay a qualified and disinterested appraiser or other qualified expert (the "Appraiser(s)") to state the amount of the loss or reasonable expenses, and the Appraisers shall choose an umpire. If the Appraisers cannot agree on an umpire, the "named insured" or we may request a judge of a court having jurisdiction to make the selection. Each Appraiser shall submit their loss estimate to the umpire, and agreement by the umpire and at least one of the Appraisers as to the amount of a "data protection loss" or "business interruption loss" shall be binding on all "insureds" and us. The "named insured" and we will equally share the costs of the umpire and any other costs other than the cost of the Appraisers. This provision shall govern only appraisal under this section and shall not control the determination of whether such "data protection loss" or "business interruption loss" is otherwise covered by this Policy. We retain and do not waive our right to deny coverage or to enforce any obligation under this Policy.

4. With respect to **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction** and **10. Electronic Crime**:

- A. If the "named insured" sustains any loss of "monies" or "securities" as described in **SECTION I — INSURING AGREEMENT, 9. Fraudulent Instruction** or **10. Electronic Crime**, the insured must report such loss to us in writing by facsimile, email or express or certified mail as soon as practicable during the "policy period" after discovery by the insured. In no event shall we be given notice of such loss later than sixty (60) days after the expiration date of the "policy period".
- B. Before coverage under **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction** or **10. Electronic Crime** will apply, the "named insured" must prepare and submit to us a proof of loss, duly sworn to, within sixty (60) days after the insured discovered such loss. Such proof of loss shall include any available documentation of fraudulent written, electronic or telephone instructions, documentation of verification via a method other than the original means of the request, the amount of loss incurred, and all other insurance available to the insured in connection with such loss.

SECTION IX — OTHER INSURANCE

The coverage under this Policy shall apply in excess of any other valid and collectible insurance available to any insured, including any self-insured retention or deductible portion thereof, unless such other insurance is written only as specific excess insurance over the Policy Aggregate Limit of Liability or any other applicable limit of liability or coverage of this Policy.

SECTION X — SUBROGATION

If any payment is made under this Policy and there is available to us any of the insured's rights of recovery against any other party, then we shall maintain all such rights of recovery. The insured shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The insured shall do nothing after an incident or event giving rise to a "claim" or "loss" to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to "loss" paid by us and lastly to the retention. Any additional amounts recovered shall be paid to the "named insured".

SECTION XI — DEFINITIONS

- 1. "Authorized employee" means an employee who is authorized by the insured to transfer "money" or "securities" or to instruct other employees to transfer "money" or "securities".
- 2. "Breach notice law" means any federal, state, local or foreign statute or regulation that requires notice to persons whose "personally identifiable information" was accessed or reasonably may have been accessed by an unauthorized person.
- 3. "Breach resolution and mitigation services" means a credit monitoring, identity monitoring or other solution offered to "notified individuals". The product offered to "notified individuals" will be selected from our panel by us in consultation with the "insured organization".

4. "Business interruption loss" means the actual "income loss", "forensic expenses" and "extra expense" incurred during the "period of restoration". "Business interruption loss" shall not include:
- A. "loss" arising out of any liability to any third party for whatever reason; legal costs or legal expenses of any type; "loss" incurred as a result of unfavorable business conditions, loss of market or any other consequential loss; or costs or expenses the "insured organization" incurs to identify or remove software program errors or vulnerabilities; or
 - B. expenses incurred by the insured to update, upgrade, enhance or replace "computer systems" to a level beyond that which existed prior to the actual and necessary interruption of "computer systems"; or the costs and expenses incurred by the "insured organization" to restore, reproduce or regain access to any "data asset" that was altered, corrupted, destroyed, deleted, damaged or rendered inaccessible as a result of the failure of "computer security" to prevent a "security breach".
5. "Call center services" means the provision of a call center to answer calls during standard business hours for a period of ninety (90) days following notification (or longer if required by applicable law or regulation) of an incident for which notice is provided pursuant to Paragraph D. of **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services**. "Call center services" will be provided by a service provider from our panel selected by us in consultation with the "insured organization".
6. "Claim" means:
- A. a written demand received by any insured for money or services;
 - B. with respect to coverage provided under **SECTION I — INSURING AGREEMENTS, 3. Regulatory Defense and Penalties** only, institution of a "regulatory proceeding" against any insured;
 - C. a written request or agreement to toll or waive a statute of limitations relating to a potential "claim" described in Paragraph A. above; and
 - D. with respect to coverage provided under Paragraph a. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** only, a demand received by any insured to fulfill the "insured organization's" contractual obligation to provide notice of an incident, or reasonably suspected incident, described in Paragraph A. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** pursuant to a "breach notice law".
- Multiple "claims" arising from the same or a series of related or repeated acts, errors, or omissions, or from any continuing acts, errors, omissions, or from multiple "security breaches" arising from a failure of "computer security" shall be considered a single "claim" for the purposes of this Policy, irrespective of the number of claimants or "insureds" involved in the "claim". All such "claims" shall be deemed to have been made at the time of the first such "claim".
7. "Claims expenses" means:
- A. reasonable and necessary fees charged by an attorney designated pursuant to Paragraph 1. of **SECTION II — DEFENSE AND SETTLEMENT OF CLAIMS** ;
 - B. all other legal costs and expenses resulting from the investigation, adjustment, defense and appeal of a "claim", suit, or proceeding arising in connection therewith, or circumstance which might lead to a "claim" if incurred by us or the insured with our prior written consent;
 - C. the premium cost for appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required in any "claim" against an "insured" provided that we shall have no obligation to appeal or to obtain bonds.
- "Claims expenses" do not include any salary, overhead, or other charges by the insured for any time spent cooperating with the defense and investigation of any "claim", or circumstance that might lead to a "claim", under this Policy, or costs to comply with any regulatory orders, settlements or judgments.
8. "Client" means a customer of the "named insured" to whom the insured provides goods or services under a written contract or for a fee.
9. "Computer expert services" means costs for:
- A. a computer security expert to determine the existence and cause of an actual or suspected electronic data breach which may require the "insured organization" to comply with a "breach notice law" and to determine the extent to which such information was accessed by an unauthorized person or persons; and if such breach is actively in progress on the "insured organization's" "computer systems", to assist in containing the existing intrusion on such systems from accessing "personally identifiable information"; and

- B. a Payment Card Industry (PCI) Forensic Investigator that is approved by the PCI Security Standards Council and is retained by the "insured organization" in order to comply with the terms of a "merchant services agreement" to investigate the existence and extent of an actual or suspected compromise of credit card data; and, in our discretion, where a computer security expert described in Paragraph a. above has not been retained, for a computer security expert to provide advice and oversight in connection with the investigation conducted by the PCI Forensic Investigator; and
- C. a computer security expert to demonstrate the insured's ability to prevent a future electronic data breach as required by a "merchant services agreement".

"Computer expert services" will be provided by a service provider from our panel selected by us in consultation with the "insured organization".

- 10. "Computer security" means software, computer or network hardware devices, as well as the "insured organization's" information security policies and procedures, the function or purpose of which is to prevent "unauthorized access or use", a "denial of service attack" against "computer systems", infection of "computer systems" by "malicious code" or transmission of "malicious code" from "computer systems". "Computer security" includes anti-virus and intrusion detection software, firewalls and electronic systems that provide access control to "computer systems" through the use of passwords, biometric or similar identification of authorized users.
- 11. "Computer systems" means computers, any software residing on such computers, and associated input and output devices, data storage devices, networking equipment, and back up facilities:
 - A. operated by and either owned by or leased to the "insured organization", or
 - B. with respect to **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability, 2. Privacy Breach Response Services, 3. Regulatory Defense and Penalties, 4. Website Media Content Liability and 5. PCI Fines, Expenses and Costs** only, systems operated by a third party service provider and used for the purpose of providing hosted computer application services, including cloud services, to the "insured organization" or for processing, maintaining, hosting or storing the "insured organization's" electronic data, pursuant to written contract with the "insured organization" for such services.
- 12. "Control group" means any principal, partner, corporate officer, director, "manager", general counsel (or most senior legal counsel) or risk manager of the "insured organization" and any individual in a substantially similar position.
- 13. "Cyber extortion loss" means:
 - A. any "extortion payment" that has been made under duress by or on behalf of the "insured organization", with our prior written consent, but solely for the purpose of preventing or terminating an "extortion threat";
 - B. reasonable and necessary expenses incurred by the "insured organization", with our prior written approval, that directly relate to the insured's efforts to prevent or terminate an "extortion threat".
- 14. "Damages" means a monetary judgment, award or settlement. The term "damages" shall not include or mean:
 - A. future profits, restitution, disgorgement of unjust enrichment or profits by an insured, or the costs of complying with orders granting injunctive or equitable relief;
 - B. return or offset of fees, charges, or commissions charged by or owed to an insured for goods or services already provided or contracted to be provided;
 - C. taxes or loss of tax benefits;
 - D. fines, sanctions or penalties;
 - E. punitive or exemplary damages, or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favors coverage for such punitive, exemplary or multiple damages;
 - F. discounts, coupons, prizes, awards or other incentives offered to the insured's customers or clients;
 - G. liquidated damages, but only to the extent that such damages exceed the amount for which the insured would have been liable in the absence of such liquidated damages agreement;
 - H. any amounts for which the insured is not liable, or for which there is no legal recourse against the insured; or
 - I. "claims expenses".

15. "Data asset" means any software or electronic data that exists in computer systems and that is subject to regular back up procedures.
16. "Data protection loss" means the reasonable and necessary costs and expenses incurred by the "insured organization" to regain access to, replace, restore, reassemble or recollect any "data asset", or if any "data asset" cannot reasonably be accessed, replaced, restored, reassembled or recollect, then the actual reasonable and necessary costs and expenses incurred by the "insured organization" to reach this determination. "Data protection loss" shall not mean, and there shall be no coverage for:
- A. costs or expenses incurred by the "insured organization" to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect or enhance a "data asset" or "computer systems" to a level beyond that which existed prior to the alteration, corruption, destruction, deletion or damage of such "data asset";
 - B. costs or expenses to research or develop any "data asset", including but not limited to trade secrets or other proprietary information;
 - C. the monetary value of profits, royalties or lost market share related to a "data asset", including but not limited to trade secrets or other proprietary information or any other amount pertaining to the value of the "data asset";
 - D. loss arising out of any liability to any third party for whatever reason; or
 - E. legal costs or legal expenses of any type.
17. "Denial of service attack" means a cyber-attack where the perpetrator seeks to make a machine or network resource unavailable to its intended users.
18. "Digital currency" means a type of digital currency that:
- A. requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;
 - B. is both stored and transferred electronically; and
 - C. operates independently of a central bank or other central authority.
19. "Employee" means:
- A. a natural person:
 - i. while in the regular service of the "insured organization" in the ordinary course of its business;
 - ii. whom the Insured has the right to direct and control while performing labor or service for the "insured organization"; and
 - iii. who is compensated directly by the "insured organization" through salary, wages or commissions;
 - B. a natural person who is directed and controlled by the "insured organization" while performing labor or service for the "insured organization" pursuant to a lease or other written contract to which the "insured organization" is a party;
 - C. a natural person volunteer who is directed and controlled by the "insured organization" while performing labor or service for the "insured organization";
 - D. a natural person who is a director, trustee, officer, administrator, manager or partner of the "insured organization", when performing acts coming within the scope of the usual duties of a director, trustee, officer, administrator, manager or partner; or
 - E. a natural person who is:
 - i. a trustee, officer, employee, administrator, fiduciary or manager of any Employee Welfare or Pension Benefit Plan, as defined in the Employee Retirement Income Security Act of 1974 and any amendments thereto ("ERISA"), which is or becomes solely sponsored by the "Insured Organization"; or
 - ii. required to be bonded by Title 1 of ERISA.
20. "Extortion payment" means cash, "digital currency", marketable goods or services demanded to prevent or terminate an "extortion threat". If an "extortion payment" is made by or on behalf of the "insured organization" in "digital currency", payment by us shall be made in United States of America Dollars equal to the US Dollar-value of the "digital currency" at the time the "extortion payment" is made. For purposes of this paragraph, an "extortion payment" using "digital currency" shall be considered made at the time that such "digital currency" is first recorded in a public ledger of transactions for such "digital currency".

- 21. "Extortion threat" means a threat to:**
- A.** alter, destroy, damage, delete or corrupt any "data asset";
 - B.** prevent access to "computer systems" or a "data asset";
 - C.** perpetrate a theft or misuse of a "data asset" on "computer systems" through external access;
 - D.** introduce "malicious code" into "computer systems" or to third party computer systems from "computer systems"; or
 - E.** publicly disclose a "data asset", "personally identifiable information" or "third party information" that is obtained by "unauthorized access or use" to the "insured organization's" "computer systems";
- unless an "extortion payment" is received from or on behalf of the "insured organization".
- 22. "Extra expense" means reasonable and necessary expenses that are incurred by the "insured organization" during the "period of restoration" to minimize, reduce or avoid an "income loss", over and above those expenses the "insured organization" would have incurred had no interruption of "computer systems" occurred.**
- 23. "Financial Institution" means:**
- A.** a bank, credit union, saving and loan association, trust company or other licensed financial service where the "insured organization" maintains a "transfer account"; or
 - B.** a securities broker-dealer, mutual fund, liquid assets fund or similar investment company where the "insured organization" maintains a "transfer account".
- 24. "Forensic expenses" means reasonable and necessary expenses incurred by the "insured organization" to investigate the source or cause of the failure of "computer security" to prevent a "security breach".**
- 25. "Fraudulent Instructions" means a fraudulent written instruction, electronic instruction (including email or web-based instruction) or telephone instruction provided by a person purporting to be a "vendor", "client", or an "authorized employee", that is intended to mislead an Insured through the misrepresentation of a material fact that is relied upon in good faith by such Insured.**
- 26. "Funds Transfer Fraud" means fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions by a "third party" issued to a "financial institution" directing such institution to transfer, pay or deliver "money" or "securities" from any account maintained by the "insured organization" at such institution, without the "insured organization's" knowledge or consent.**
- 27. "Income loss" means an amount equal to:**
- A.** the net profit or loss before interest and tax that the "insured organization" would have earned or incurred; and
 - B.** continuing normal operating expenses incurred by the "insured organization" (including payroll), but only to the extent that such operating expenses must necessarily continue during the "period of restoration" and such expenses would have been incurred by the "insured organization" had such interruption not occurred.
- In determining "income loss", due consideration shall be given to:
- A.** the prior experience of the "insured organization's" business operations before the beginning of the "period of restoration";
 - B.** the probable business operations the "insured organization" could have performed had no actual and necessary interruption occurred as result of a failure of "computer security" to prevent a "security breach"; and
 - C.** the "insured organization's" ability to reasonably reduce or limit the interruption of "computer systems" or conduct its business operations by other means.
- 28. "Insured organization" means the "named insured" and/or any "subsidiaries" of the "named insured".**
- 29. "Legal services" means fees charged by an attorney:**
- A.** to determine the applicability of and actions necessary for the "insured organization" to comply with "breach notice laws" due to an actual or reasonably suspected theft, loss or "unauthorized disclosure" of "personally identifiable information";
 - B.** to provide necessary legal advice to the "insured organization" in responding to actual or suspected theft, loss or "unauthorized disclosure" of "personally identifiable information";

- C. to advise the "insured organization" regarding the notification of relevant governmental entities of an actual or reasonably suspected theft, loss or "unauthorized disclosure" of "personally identifiable information"; and
- D. to advise the "insured organization" in responding to credit card system operating regulation requirements for any actual or suspected compromise of credit card data that is required to be reported to the "insured organization's" merchant bank under the terms of a "merchant services agreement"; however, "legal services" do not include fees incurred in any actual or threatened legal proceeding, arbitration or mediation, or any advice in responding to credit card system operating regulation in connection with an assessment of "PCI fines, expenses, and costs".

"Legal services" will be provided in accordance with the terms and conditions set forth in this Policy and will be provided by an attorney from our panel selected by us in consultation with the "insured organization".

30. "Loss" means:

- A. "damages";
- B. "claims expenses";
- C. privacy breach response services;
- D. "PCI fines, expenses and costs";
- E. "cyber extortion loss";
- F. "data protection loss";
- G. "business interruption loss";
- H. "penalties";
- I. loss covered under **SECTION I — INSURING AGREEMENTS, 9. Fraudulent Instruction;**
- J. loss covered under **SECTION I — INSURING AGREEMENTS, 10. Electronic Crime.**

31. "Malicious code" means any virus, Trojan horse, worm or any other similar software program, code or script intentionally designed to insert itself into computer memory or onto a computer disk and spread itself from one computer to another.

32. "Management control" means:

- A. owning, directly or indirectly, more than fifty percent (50%) of the outstanding securities, representing the present right to vote for the election of an entity's directors, members of the board of managers, management committee members or persons serving in a functionally equivalent role for such an entity operating or organized outside of the United States of America; or
- B. having the right, pursuant to a written contract or bylaws, charter, operating agreement or similar documents of an entity to elect, appoint or designate a majority of:
 - i. the Board of Directors of a corporation;
 - ii. the Management Committee of a joint venture or partnership;
 - iii. the Management Board of a limited liability company; or
 - iv. persons serving in a functionally equivalent role for such an entity operating or organized outside of the United States of America.

33. "Manager" means manager of a limited liability company.

34. "Media material" means any information in electronic form, including words, sounds, numbers, images, or graphics and shall include advertising, video, streaming content, web-casting, online forums, bulletin boards and chat room content, but does not mean computer software or the actual goods, products or services described, illustrated or displayed in such "media material".

35. "Merchant services agreement" means any agreement between an insured and a financial institution, credit/debit company, credit/debit card processor or independent service operator enabling an insured to accept credit card, debit card, prepaid card, or other payment cards for payments or donations.

36. "Money" means:

- A. currency, coins or bank notes in current use and having a face value; and
- B. traveler's checks, register checks or money orders held for sale to the public.

37. "Named insured" means the individual, partnership, entity or corporation designated as such in the Declarations of the Policy.

38. "Notification services" means:

- A. notification by first class mail or e-mail to United States of America, Canadian or Mexican residents; and
- B. notification by first class mail or e-mail to individuals residing outside the United States of America, Canada or Mexico, but only to the extent reasonably practicable.

"Notification services" will be provided by a service provider from our panel selected by us in consultation with the "insured organization".

39. "Notified individual" means an individual person to whom notice is given or attempted to be given under Paragraph D. of **SECTION I — INSURING AGREEMENTS, 2. Privacy Breach Response Services** pursuant to a "breach notice law".

40. "Out-of-Band Authentication" means a method of challenge and response to the requestor of a transfer, payment or delivery of "money" or "securities" by an Insured, via a method other than the original means of request, to verify the authenticity or validity of the request.

41. "PCI fines, expenses and costs" means the direct monetary fines, penalties, reimbursements, fraud recoveries or assessments owed by the "insured organization" under the terms of a "merchant services agreement", but only where such fines, penalties, reimbursements, fraud recoveries or assessments result both from the "insured organization's" actual or alleged noncompliance with published Payment Card Industry (PCI) Data Security Standards and from a data breach caused by an incident, or reasonably suspected incident, described in Paragraphs A. and B. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**; provided, that the term "PCI fines, expenses and costs" shall not include or mean any charge backs, interchangeable fees, discount fees or prospective service fees.

42. "Penalties" means:

- A. any civil fine or punitive sum of money payable to a governmental entity that was imposed in a "regulatory proceeding" by any federal, state, local or foreign governmental entity, in such entity's regulatory or official capacity; the insurability of "penalties" shall be in accordance with the law in the applicable venue that most favors coverage for such "penalties"; and
- B. amounts which the insured is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a "regulatory proceeding"; but shall not include payments to charitable organizations or disposition of such funds other than for payment of consumer claims for losses caused by an event covered pursuant to Paragraphs A., B., or C. of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability**;
- C. "Penalties" do not mean:
 - i. costs to remediate or improve "computer systems";
 - ii. costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programs or policies;
 - iii. audit, assessment, compliance or reporting costs; or
 - iv. costs to protect the confidentiality, integrity and/or security of "personally identifiable information" from theft, loss or disclosure.

43. "Period of restoration" means the time period that:

- A. begins after the expiration of the "waiting period" following the actual and necessary interruption of "computer systems" and
- B. ends one hundred twenty (120) days after the actual and necessary interruption of "computer systems" ends (or would have ended with the exercise of due diligence and dispatch);

provided that in no event shall the "period of restoration" mean a period of time greater than one hundred eighty (180) days; and provided further that restoration of "computer systems" will not end the "period of restoration" if such systems are actually and necessarily interrupted or suspended again within one hour of such restoration due to the same cause as the original interruption or suspension.

44. "Personally identifiable information" means:

- A. information concerning the individual that constitutes nonpublic personal information as defined in the Gramm-Leach Bliley Act of 1999, as amended, and regulations issued pursuant to this Act;
- B. medical or health care information concerning the individual, including protected health information as defined in the Health Insurance Portability and Accountability Act of 1996, as amended, and regulations issued pursuant to this Act;

- C. information concerning the individual that is defined as private personal information under statutes enacted to protect such information in foreign countries, for "claims" subject to the law of such jurisdiction;
- D. information concerning the individual that is defined as private personal information under a "breach notice law";
- E. education records as defined by the Family Educational Rights and Privacy Act which are directly related to an individual's attendance as a student; or
- F. the individual's drivers' license or state identification number, social security number, unpublished telephone number, and credit, debit, or other financial account numbers in combination with associated security codes, access codes, passwords or PINs (personal identification numbers); if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual's financial account or medical record information.

"Personally identifiable information" does not include publicly available information that is lawfully made available to the general public from government records.

- 45. "Policy period" means the period of time between the inception date and the effective date of termination of coverage and specifically excludes any extended reporting period or any prior policy period or renewal period.
- 46. "Privacy law" means a federal, state or foreign statute or regulation requiring the "insured organization" to protect the confidentiality and/or security of "personally identifiable information".
- 47. "Privacy policy" means the "insured organization's" public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to "personally identifiable information".
- 48. "Property" means tangible property other than "money" or "securities" that has intrinsic value.
- 49. "Public relations and crisis management expenses" shall mean the following costs, approved in advance by us, which are directly related to mitigating harm to the "insured organization's" reputation or potential "loss" covered by this Policy resulting from an incident described in Paragraphs **A.** and **B.** of **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** or from a "public relations event":
 - A. costs incurred by a public relations or crisis management consultant;
 - B. costs for media purchasing or for printing or mailing materials intended to inform the general public about the incident;
 - C. for incidents or events in which notifications services are not otherwise provided pursuant to **SECTION I — INSURING AGREEMENTS, 1. Information Security and Privacy Liability** and **2. Privacy Breach Response Services**, costs to provide notifications and notices via e-mail or first class mail to affected individuals where such notifications are not required by law (voluntary notifications), including non-affected customers or patients of the "insured organization";
 - D. costs to provide government mandated public notices related to breach events (including such notifications required under the Health Insurance Portability and Accountability Act of 1996 or the Health Information Technology for Economic and Clinical Health Act;
 - E. costs to provide services to restore healthcare records of "notified individuals" residing in the United States of America whose "personally identifiable information" was compromised as a result of theft, loss or "unauthorized disclosure"; and
 - F. other costs approved in advance by us.

"Public relations and crisis management expenses" must be incurred no later than twelve (12) months following the reporting of such "claim" or breach event to us and, with respect to paragraphs a. and b. above, within ninety (90) days following the first publication of such "claim" or incident. If voluntary notifications are provided, e-mail notification will be provided in lieu of first class mail to the extent practicable.

- 50. "Public relations event" means the publication or imminent publication in a newspaper (or other general circulation print publication) or on radio, television or a publically accessible website of a covered "claim" or incident under this Policy.
- 51. "Regulatory proceeding" means a request for information, civil investigative demand or civil proceeding commenced by service of a complaint or similar proceeding brought by or on behalf of any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity in connection with such proceeding.

- 52.** "Related party" means the "insured organization" and any past, present or future employees, directors, officers, "managers", partners or natural person independent contractors of the "insured organization".
- 53.** "Securities" mean negotiable and non-negotiable instruments or contracts representing either "money" or "property" and includes:
- A.** tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
 - B.** evidences of debt issued in connection with credit or charge cards, which cards are not issued by the Insured.
- 54.** "Security breach" means:
- A.** "unauthorized access or use" of "computer systems", including "unauthorized access or use" resulting from the theft of a password from a "computer system" or from any insured;
 - B.** A "denial of service attack" against "computer systems" or "computer systems" that are not owned, operated or controlled by an insured; or
 - C.** infection of "computer systems" by "malicious code" or transmission of "malicious code" from "computer systems".
- A series of continuing "security breaches", related or repeated "security breaches", or multiple "security breaches" resulting from a continuing failure of "computer security" shall be considered a single "security breach" and be deemed to have occurred at the time of the first such "security breach".
- 55.** "Subsidiary" means any corporation, limited liability company, joint venture or partnership while the "named insured" has "management control" over such entity, if the "named insured":
- A.** had "management control" over such entity on the inception date of this Policy or such entity was an insured under a Policy issued by us of which this Policy is a renewal; or
 - B.** acquires "management control" after the inception date of this Policy provided the revenues of the entity do not exceed fifteen percent (15%) of the "named insured's" annual revenues for the four quarterly periods directly preceding inception of the Policy;
- provided that this coverage only provides coverage for acts, errors, omissions, incidents or events that take place while the "named insured" has "management control" over such entity.
- 56.** "Third Party" means any person or entity other than a "related party".
- 57.** "Third party information" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not insured under this Policy which is not available to the general public and is provided to the insured subject to a mutually executed written confidentiality agreement or which the "insured organization" is legally required to maintain in confidence; however, "third party information" shall not include "personally identifiable information".
- 58.** "Transfer Account" means an account maintained by the "insured organization" at a "financial institution" from which the "insured organization" can initiate the transfer, payment or delivery of "money" or "securities".
- 59.** "Unauthorized access or use" means the gaining of access to or use of "computer systems" by an unauthorized person or persons or the use of "computer systems" in an unauthorized manner.
- 60.** "Unauthorized disclosure" means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorized by the "insured organization" and is without knowledge of, consent, or acquiescence of any member of the "control group".
- 61.** "Vendor" means any entity or natural person that provides goods or services to the insured pursuant to a written agreement.
- 62.** "Waiting period" means the period of time beginning when the actual and necessary interruption of "computer systems" caused directly by a failure of "computer security" to prevent a "security breach" begins and expiring after the elapse of twelve (12) hours. A "waiting period" shall apply to each "period of restoration".

SECTION XII — ASSISTANCE AND COOPERATION

1. We shall have the right to make any investigation we deem necessary, and the insured shall cooperate with us in all investigations. The insured shall execute or cause to be executed all papers and render all assistance as is requested by us. The insured agrees not to take any action which in any way increases our exposure under this Policy.
2. Upon our request, the insured shall assist in making settlements, in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organization who may be liable to the insured because of acts, errors or omissions, incidents or events with respect to which insurance is afforded under this Policy; and the insured shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses.
3. The insured shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award or dispose of any "claim" without our written consent, except as specifically provided in **SECTION II — DEFENSE AND SETTLEMENT OF CLAIMS**. Compliance with a "breach notice law" will not be considered an admission of liability for purposes of this Clause.
4. Expenses incurred by the insured in assisting and cooperating with us do not constitute "claims expenses" under the Policy.

SECTION XIII — ACTION AGAINST US

No action shall lie against us or our representatives unless and until, as a condition precedent thereto, the insured shall have fully complied with all provisions, terms and conditions of this Policy and, with respect to **INSURING AGREEMENTS, 1. Information Security and Privacy Liability, 3. Regulatory Defense and Penalties, 4. Website Media Content Liability** and **5. PCI Fines, Expenses and Costs**, the amount of the insured's obligation to pay shall have been finally determined either by judgment or award against the insured after trial, regulatory proceeding, arbitration or by written agreement of the insured, the claimant, and us.

No person or organization shall have the right under this Policy to join us as a party to an action or other proceeding against the insured to determine the insured's liability, nor shall we be impleaded by the insured or the insured's legal representative.

SECTION XIV — ASSIGNMENT

The interest hereunder of any insured is not assignable. If the insured shall die or be adjudged incompetent, such insurance shall cover the insured's legal representative as the insured as would be permitted under this Policy.

SECTION XV — NAMED INSURED AS AGENT

The "named insured" shall be considered the agent of all insureds, and shall act on behalf of all insureds with respect to the giving of or receipt of all notices pertaining to this Policy, the acceptance of any endorsements to this Policy, and the "named insured" shall be responsible for the payment of all premiums and Retentions.

SECTION XVI — AUTHORIZATION

By acceptance of this Policy, the insureds agree that the "named insured" will act on their behalf with respect to the giving and receiving of any notice provided for in this Policy, the payment of premiums and the receipt of any return premiums that may become due under this Policy, and the agreement to and acceptance of endorsements.

SECTION XVII — VALUATION AND CURRENCY

All premiums, limits, deductibles, "loss" and other amounts under this Policy are expressed and payable in the currency of the United States of America. If judgment is rendered, settlement is denominated or another element of "loss" under this Policy is stated in a currency other than United States of America dollars or is paid in a currency other than United States of America dollars, payment under this Policy shall be made in United States of America dollars at the rate of exchange published in the Wall Street Journal on the date the judgment becomes final or payment of the settlement or other element of "damages", "penalties", or "PCI Fines, Expenses and Costs" is due or, with respect to "claims expenses", the date they are paid.

SECTION XVIII — TERRITORY

This Policy applies to "claims" made, acts committed, or "loss" occurring anywhere in the world.

SECTION XIX — BANKRUPTCY

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Policy.

NORTH CAROLINA CHANGES

CYBER LIABILITY AND DATA BREACH RESPONSE
CB 70 08 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE FORM

- A.** Paragraph 3. of **SECTION VII — EXTENDED REPORTING PERIODS** is deleted in its entirety and replaced by the following:
- 6.** The limit of liability for the Basic Extended Reporting Period shall be part of and not in addition to the applicable Policy Aggregate Limit of Liability for the "policy period". The limit of liability for the Supplemental Extended Reporting Period shall be equal to the Limit of Liability set forth in the Declarations for all "claims" made during the immediately preceding "policy period".
- B.** **SECTION VII — EXTENDED REPORTING PERIODS** is amended by the addition of the following:
- 7.** If a Supplementary Extended Reporting Period is in effect, within 45 days after the mailing or delivery of a written request from the insured, we shall mail or deliver the following loss information covering a three year period (or the period of time the coverage has been in force, if less than three years):
- A.** Aggregate information on total closed claims, including date and description of occurrence and any paid losses;
 - B.** Aggregate information on total open claims, including date and description of occurrence and the amounts of payments;
 - C.** Information on notice of any the act, error or omission, including date and description of occurrence.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, provisions, agreements or limitations of the Policy other than as above stated.

40000FS 2743815 140

ADDITIONAL INSURED — AUTOMATIC STATUS

CYBER LIABILITY AND DATA BREACH RESPONSE
CB 79 08 06 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE FORM

In consideration of the premium charged for this Policy, it is hereby understood and agreed that:

1. **SECTION III — WHO IS AN INSURED**, is amended by the addition of the following:
 8. An "additional insured", but only as respects "claims" against such person or entity for acts, errors or omissions of the "insured organization".
 2. **SECTION XI — DEFINITIONS**, is amended by the addition of the following:

"Additional insured" means any person or entity that the "insured organization" has agreed in writing to add as an "additional insured" under this Policy prior to the commission of any act for which such person or entity would be provided coverage under this Policy, but only to the extent the "insured organization" would have been liable and coverage would have been afforded under the terms and conditions of this Policy had such "claim" been made against the "insured organization".
 3. **SECTION IV — EXCLUSIONS**, Paragraph 15. is amended by the addition of the following:

This exclusion will not apply to a "claim" made by an "additional insured".
- All other terms and conditions of this Policy remain unchanged.

40000FS 2743815 141

NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)

CYBER LIABILITY AND DATA BREACH RESPONSE
CB 80 01 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE PART

A. The insurance does not apply:

1. Under any Liability Coverage, to injury, sickness, disease, death or destruction:
 - A. with respect to which an insured under the Policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - B. resulting from the "hazardous properties" of "nuclear material" and with respect to which (i) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (ii) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any Liability Coverage, to injury, sickness, disease, death or destruction resulting from the "hazardous properties" of "nuclear material", if:
 - A. the "nuclear material" (i) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (ii) has been discharged or dispersed therefrom;
 - B. the "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or
 - C. the injury, sickness, disease, death or destruction arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion C. applies only to injury to or destruction of property at such "nuclear facility".

B. As used in this endorsement:

1. "Hazardous properties" include radioactive, toxic or explosive properties.
2. "Nuclear material" means "source material", "special nuclear material" or by-product material".
3. "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
5. "Waste" means any waste material (i) containing "by-product material" and (ii) resulting from the operation by any person or organization of any "nuclear facility" included under Paragraphs (i) and (ii) of the definition of "nuclear facility".

6. "Nuclear facility" means:
- (i) any "nuclear reactor";
 - (ii) any equipment or device designed or used for (a) separating the isotopes of uranium or plutonium, (b) processing or utilizing "spent fuel", or (c) handling, processing or packaging "waste";
 - (iii) any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (iv) any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";
- and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.
7. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
8. With respect to injury to or destruction of property, the word "injury" or "destruction" includes all forms of radioactive contamination of property.

All other terms and conditions of this Policy remain unchanged.

RADIOACTIVE CONTAMINATION EXCLUSION CLAUSE - LIABILITY — DIRECT (U.S.A.)

CYBER LIABILITY AND DATA BREACH RESPONSE
CB 80 02 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE PART

In relation to liability arising outside the U.S.A., its Territories or Possessions, Puerto Rico or the Canal Zone, this Policy does not cover any liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

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SANCTION LIMITATION AND EXCLUSION CLAUSE

CYBER LIABILITY AND DATA BREACH RESPONSE
CB 80 03 12 19

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE PART

No (re)insurer shall be deemed to provide cover and no (re)insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that (re)insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, law or regulations of the European Union, United Kingdom or United States of America.

All other terms and conditions of this Policy remain unchanged.

40000FS 2743815 145

WAR AND CYBER WAR EXCLUSION

MANAGEMENT LIABILITY
CB 80 04 01 26

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

CYBER LIABILITY AND DATA BREACH RESPONSE COVERAGE FORM

1. **SECTION IV – EXCLUSIONS – 19.** is deleted and replaced with the following:

19. This insurance does not apply to any “claim” or “loss” arising:

- A. directly or indirectly out of “war”; or
- B. from a “cyber war”.

This exclusion applies notwithstanding anything to the contrary in this Endorsement or any appendix or endorsement added to this.

2. For purposes of this endorsement only, **SECTION XI – DEFINITIONS** is amended by the addition of the following:

1. “Cyber war” means any harmful act, or any series of related, repeated or continuing harmful acts, conducted using one or more computers (which includes any software residing on such computer, and any associated devices or equipment) directed against one or more computers (which includes any software residing on such computer, and any associated devices or equipment) that is committed by, or at the direction or under the control of, a sovereign state, and which:

- A. is conducted as part of a “war”; or
- B. causes a major detrimental impact on:
 - i. the functioning of another sovereign state due to disruption to the availability, delivery or integrity of any “essential service” in that other sovereign state; and/or
 - ii. the security or defense of another sovereign state,

provided however that “cyber war” shall not mean the direct or indirect effect of such harmful act(s) which causes a major detrimental impact on a sovereign state as described in parts **B.(i)** and/or **B.(ii)** above, on any “computer systems” not physically located in a sovereign state which has suffered such major detrimental impact described in parts **B.(i)** and/or **B.(ii)** above.

- 2. “Essential service” means a service that is essential for the maintenance of vital functions of a sovereign state, including but not limited to financial institutions and associated financial market infrastructure, emergency services, health services, utility services and/or services that are essential for the maintenance of the food, energy and/or transportation sector.
- 3. “War” means the use of physical force by a sovereign state against another sovereign state (whether war be declared or not) or as part of a civil war, rebellion, revolution, insurrection and/or military or usurped power.

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Previous Policy Number
NEWPolicy Number
S 2743815**BUSINESS AUTOMOBILE COVERAGE DECLARATION**

Policy Effective Date: July 1, 2026		Coverage Effective Date: JULY 1, 2026	
Business of Named Insured: METAL ERECTION/NON STRUCT			
In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this Policy.			
ITEM TWO - SCHEDULE OF COVERAGES AND COVERED AUTOS. This Policy provides only those coverages where a charge and limit, if applicable, are shown in the columns below. Each of the "auto"-related coverages will apply only to those "autos" shown as covered "autos." "Autos" are shown as covered "autos" for the applicable coverages by the entry of one or more of the symbols from the Covered Autos section of the Business Auto Coverage Form next to the name of the "auto"-related coverage.			
THIS POLICY MAY BE SUBJECT TO FINAL AUDIT.			
Coverage Schedule			
C o v e r a g e s	C o v e r e d A u t o s S y m b o l s	L i m i t O r D e d u c t i b l e	P r e m i u m
Covered Autos Liability	1	Each "Accident" \$1,000,000 CSL	\$44,617.38
Personal Injury Protection (Or Equivalent No-fault Coverage)		Separately stated in Each P.I.P. Endorsement Minus Deductible	
Added Personal Injury Protection (Or Equivalent Added No-fault Coverage)		Separately stated in Each Added P.I.P. Endorsement	
Auto Medical Payments	2	Each Insured See ITEM TWO For Covered "Autos" Insured On A Specified Car Basis	\$546.00
Uninsured Motorists	2	\$1,000,000 CSL	\$1,790.00
Underinsured Motorists (When Not Included In Uninsured Motorists Coverage)			
Physical Damage - Comprehensive Coverage	7,8	Deductible shown on the Auto Schedule for Each Covered Auto. (A maximum deductible may also apply. Refer to Coverage Form for details.)	\$9,369.00
Physical Damage - Specified Causes Of Loss Coverage		Deductible shown on the Auto Schedule for Each Covered Auto. (A maximum deductible may also apply. Refer to Coverage Form for details.)	
Physical Damage – Collision Coverage	7,8	Deductible shown on the Auto Schedule for Each Covered Auto.	\$17,984.00
Physical Damage Towing and Labor Coverage	7	Limit For Each Disablement of a Private Passenger "Auto", Light or Medium Truck shown on the Auto Schedule for Each Covered Auto.	
Hired Auto and Non-Owned Auto Coverage Premium for Endorsement			\$75.00 \$1,945.00
Forms and Endorsements: Refer to "Commercial Policy Forms and Endorsement Schedule"			Total Premium \$77,825.38 (This premium may be subject to adjustment.)

40000FS 2743815 147

Previous Policy Number
NEWPolicy Number
S 2743815**BUSINESS AUTOMOBILE COVERAGE DECLARATION — (Continued)**

Policy Effective Date: July 1, 2026

Coverage Effective Date: JULY 1, 2026

ITEM TWO (continued) - Schedule of Coverages And Covered Autos**AUTO SCHEDULE**

Covered Auto No.	Trade Name	Year	Body Type	Vehicle ID. No. (VIN)	Size Class GVWR	Use / Class/ Radius Code	List Symbol	Purchased		Original Cost New
								Year	New/Used	
NC 1	FORD	25	F450	1FD9W4HT9SED38011	M	S/215890/I				\$95,828
NC 2	RAM	24	4500	3C7WRLFL9RG335014	M	S/215890/I				\$92,433
NC 3	RAM	21	1500	1C6SRFBT4MN526091	L	S/015890/I				\$42,085
NC 4	FORD	17	F350	1FD8W3GT5HED13185	M	S/215890/I				\$44,233
NC 5	FORD	22	F350	1FT8W3BT4NEF73326	M	S/215890/I				\$64,343
NC 6	FORD	20	EXPEDITION	1FMJK1JT4LEA23250		739800				\$58,845
NC 7	RAM	20	1500	1C6SRFFT2LN168384	L	S/015890/I				\$44,035
NC 8	FORD	24	EXPEDITION	1FMJK1P82REA87489		739800				\$85,315

No.	Terr.	Liability Premium	P.I.P. or F.P.B.	Add P.I.P. or F.P.B.	Um & Uim Motorists Premium	Auto Medical Payments		Towing and Labor	
						Limit Each Insured	Premium	Limit	Premium
NC 1	123	2,825.53			100	\$5,000	30		
NC 2	123	2,878.05			100	\$5,000	30		
NC 3	123	2,482.60			100	\$5,000	30		
NC 4	123	2,257.08			100	\$5,000	30		
NC 5	123	2,780.21			100	\$5,000	30		
NC 6	123	1,037.07			145	\$5,000	30		
NC 7	123	2,391.98			100	\$5,000	30		
NC 8	123	1,015.45			145	\$5,000	30		

Totals

No.	Physical Damage Insurance							
	Comprehensive			Specified Cause of Loss			Collision	
	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible	Premium
NC 1		2,000	585				2,000	1,402
NC 2		2,000	585				2,000	1,263
NC 3		2,000	328				2,000	593
NC 4		2,000	281				2,000	371
NC 5		2,000	470				2,000	950
NC 6		2,000	396				2,000	405
NC 7		2,000	328				2,000	560
NC 8		2,000	796				2,000	1,061

CONTINUED ON NEXT PAGE

Totals

Previous Policy Number
NEWPolicy Number
S 2743815**BUSINESS AUTOMOBILE COVERAGE DECLARATION — (Continued)**

Policy Effective Date: July 1, 2026

Coverage Effective Date: JULY 1, 2026

ITEM TWO (continued) - Schedule of Coverages And Covered Autos**AUTO SCHEDULE**

Covered Auto No.	Trade Name	Year	Body Type	Vehicle ID. No. (VIN)	Size Class GVWR	Use / Class/ Radius Code	List Symbol	Purchased		Original Cost New
								Year	New/Used	
NC 9	RAM	23	4500	3C7WRLFL3PG586074	M	S/215890/I				\$88,734
NC 10	FORD	26	F550	1FD0W5GT3TED42704	M	S/215890/I				\$70,485
NC 11	RAM	22	4500	3C7WRLFLONG112614	M	S/215890/I				\$81,000
NC 12	FORD	21	F450	1FD0W4GT4MEC14354	M	S/215890/I				\$72,226
NC 13	RAM	25	1500	1C6RRFCG1SN674762	L	S/015890/I				\$44,125
NC 14	FORD	17	F450	1FD0W4HT7HEF30299	M	S/215890/I				\$60,688
NC 15	RAM	21	3500	3C7WRTCL4MG651613	M	S/215890/I				\$63,510
NC 16	FORD	26	SUPER DUTY	1FT8W3BA0TEE25279	M	S/215890/I				\$54,000

No.	Terr.	Liability Premium	P.I.P. or F.P.B.	Add P.I.P. or F.P.B.	Um & Uim Motorists Premium	Auto Medical Payments		Towing and Labor	
						Limit Each Insured	Premium	Limit	Premium
NC 9	123	2,930.57			100	\$5,000	30		
NC 10	123	2,605.15			100	\$5,000	30		
NC 11	123	2,905.85			100	\$5,000	30		
NC 12	123	2,730.78			100	\$5,000	30		
NC 13	123	2,459.95			100	\$5,000	30		
NC 14	123	2,386.83			100	\$5,000	30		
NC 15	123	2,681.35			100	\$5,000	30		
NC 16	123	2,512.47			100	\$5,000	30		

Totals

No.	Physical Damage Insurance							
	Comprehensive			Specified Cause of Loss			Collision	
	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible	Premium
NC 9		2,000	556				2,000	1,170
NC 10		2,000	520				2,000	1,275
NC 11		2,000	499				2,000	997
NC 12		2,000	419				2,000	788
NC 13		2,000	430				2,000	1,065
NC 14		2,000	310				2,000	464
NC 15		2,000	419				2,000	788
NC 16		2,000	488				2,000	1,217

CONTINUED ON NEXT PAGE

Totals

Previous Policy Number
NEWPolicy Number
S 2743815**BUSINESS AUTOMOBILE COVERAGE DECLARATION — (Continued)**

Policy Effective Date: July 1, 2026

Coverage Effective Date: JULY 1, 2026

ITEM TWO (continued) - Schedule of Coverages And Covered Autos**AUTO SCHEDULE**

Covered Auto No.	Trade Name	Year	Body Type	Vehicle ID. No. (VIN)	Size Class GVWR	Use / Class/ Radius Code	List Symbol	Purchased		Original Cost New
								Year	New/Used	
NC 18	FORD	26	SUPER DUTY	1FT8W3BA1TEE25968	M	S/215890/I				\$54,000
NC 19	KAUF	25	LOWBOY	7UZFR4338S2000519		685890/I				\$62,296
NC 20	COVE	22	8.5 WIDE C	53FBE2421NF074534		685890/I				\$11,761
NC 21	GANS	21	8 BLACK V	5NHUNSD22MU129010		685890/I				\$6,500
NC 22	KAUF	22	UTILITY	5VGFD2225NL004206		685890/I				\$4,381
NC 23	FONT	20	FLATBED	13N148309Y1584872		685890/I				\$13,000
NC 24	STOU	14	TOUGH PLAT	1DW1A5322ES432378		685890/I				\$30,949
NC 25	KAUF	25	3075 LOWBO	7UZFR0514S2000389		685890/I				\$8,132

No.	Terr.	Liability Premium	P.I.P. or F.P.B.	Add P.I.P. or F.P.B.	Um & Uim Motorists Premium	Auto Medical Payments		Towing and Labor	
						Limit Each Insured	Premium	Limit	Premium
NC 18	123	2,512.47			100	\$5,000		30	
NC 19	123	370.82				\$5,000		3	
NC 20	123	225.62				\$5,000		3	
NC 21	123	186.48				\$5,000		3	
NC 22	123	166.92				\$5,000		3	
NC 23	123	220.47				\$5,000		3	
NC 24	123	256.51				\$5,000		3	
NC 25	123	201.93				\$5,000		3	

Totals

No.	Physical Damage Insurance							
	Comprehensive			Specified Cause of Loss			Collision	
	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible	Premium
NC 18		2,000	488				2,000	1,217
NC 19		1,000	365				1,000	767
NC 20		1,000	145				1,000	141
NC 21		1,000	100				1,000	61
NC 22		1,000	97				1,000	61
NC 23		1,000	125				1,000	129
NC 24		1,000	160				1,000	386
NC 25		1,000	130				1,000	86

CONTINUED ON NEXT PAGE

Totals

Previous Policy Number
NEWPolicy Number
S 2743815**BUSINESS AUTOMOBILE COVERAGE DECLARATION — (Continued)**

Policy Effective Date: July 1, 2026

Coverage Effective Date: JULY 1, 2026

ITEM TWO (continued) - Schedule of Coverages And Covered Autos**AUTO SCHEDULE**

Covered Auto No.	Trade Name	Year	Body Type	Vehicle ID. No. (VIN)	Size Class GVWR	Use / Class/ Radius Code	List Symbol	Purchased		Original Cost New
								Year	New/Used	
NC 26	TEEH	02	TL	1T9500V3621230531		685890/I				\$25,000
NC 27	HAUL	02	TRAILER	4XSG282X2G038231X		685890/I				\$8,000
NC 28	TIMP	06	R TRAILER	244626EXXXXXXXXXXX		685890/I				\$16,000
NC 29	TIMP	06	R TRAILER	2325604EXXXXXXXXXXX		685890/I				\$16,000
NC 30	RAMP	09	FLTB-CST	NCX1150494XXXXXXXX		685890/I				\$5,500

No.	Terr.	Liability Premium	P.I.P. or F.P.B.	Add P.I.P. or F.P.B.	Um & Uim Motorists Premium	Auto Medical Payments		Towing and Labor	
						Limit Each Insured	Premium	Limit	Premium
NC 26	123	197.81				\$5,000		3	
NC 27	123	138.08				\$5,000		3	
NC 28	123	184.42				\$5,000		3	
NC 29	123	184.42				\$5,000		3	
NC 30	123	132.93				\$5,000		3	

Totals	43,859.80	1,790	546
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No.	Physical Damage Insurance							
	Comprehensive			Specified Cause of Loss			Collision	
	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible for Loss Caused by Theft or Mischief or Vandalism	Deductible For All Perils	Premium	Deductible	Premium
NC 26		1,000	90				1,000	313
NC 27		1,000	47				1,000	61
NC 28		1,000	80				1,000	166
NC 29		1,000	80				1,000	166
NC 30		1,000	52				1,000	61
Totals			9,369					17,984

BUSINESS AUTOMOBILE COVERAGE DECLARATION — (Continued)

Policy Effective Date: July 1, 2026	Coverage Effective Date: JULY 1, 2026
ITEM THREE - Schedule of Covered Autos You Own (see Auto Schedule) - Loss Payee - Any Loss is Payable as Interest May Appear to You and: Vehicle No. Name and Address of Loss Payee	

ITEM FOUR - Schedule of Hired Or Borrowed Covered Auto Coverage and Premiums. Liability Insurance - Rating Basis, Cost of Hire					
Covered Autos Liability Coverage - Cost Of Hire Rating Basis (Other Than Mobile Or Farm Equipment)					
Covered Autos Liability Coverage	State	Estimated Annual Cost Of Hire For Each State	Rate per Each \$100 Cost of Hire	Minimum Premium	Premium
Primary Coverage	NC	\$1,000	21.876		\$219.00
Excess Coverage	NC	IF ANY	3.646		INCL
Total Hired Auto Premium					\$219.00
Cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for services performed by motor carriers of property or passengers.					

Physical Damage Coverages - Cost Of Hire Rating Basis For All Autos (Other Than Mobile Or Farm Equipment)					
Coverage	State	Deductible	Est. Annual Cost Of Hire (Excluding Autos Hired With A Driver)	Rate per Each \$100 Annual Cost Of Hire	Premium
Comprehensive	NC	500 Deductible For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism (A maximum deductible may also apply. Refer to Coverage Form for details.)	\$1,000	.790	\$8.00
Specified Causes Of Loss		Deductible For Each Covered Auto For Loss Caused By Theft Or Mischief Or Vandalism (A maximum deductible may also apply. Refer to Coverage Form for details.)			
Collision	NC	500 Deductible For Each Covered Auto	\$1,000	2.590	\$26.00
Total Hired Auto Premium					\$75.00

For Physical Damage Coverages, cost of hire means the total amount you incur for the hire of "autos" you don't own (not including "autos" you borrow or rent from your partners or "employees" or their family members). Cost of hire does not include charges for any "auto" that is leased, hired, rented or borrowed with a driver. Physical Damage Insurance applies on a direct primary basis and for purposes of the condition entitled OTHER INSURANCE any covered "auto" you hire or borrow is deemed to be a covered "auto" you own.

Previous Policy Number
NEWPolicy Number
S 2743815**BUSINESS AUTOMOBILE COVERAGE DECLARATION — (Continued)**

Policy Effective Date: July 1, 2026

Coverage Effective Date: JULY 1, 2026

ITEM FIVE - Schedule Non-Ownership Liability

Named Insured's Business	Rating Basis	Number	Premium
Other Than Auto Service Operations, Partnerships Or LLCs	Number of Employees	21	\$483.00
	Number of Volunteers		
Auto Service Operations	Number of Employees Whose Principal Duty Involves The Operation Of Autos		
	Number of Volunteers		
	Number of Partners (Active and Inactive) Or LLC Members		
Partnerships Or LLCs	Number of Employees		
	Number of Volunteers		
	Number of Partners (Active and Inactive) Or LLC Members		
Total Non-Ownership Covered Autos Liability Premium			\$483.00

ITEM SIX - Schedule for Gross Receipts or Mileage Basis - Liability Insurance - Public Auto or Leased Rental Concerns

Estimated Yearly	Rates		Premium	
	Liability Insurance	Auto Medical Payments	Liability Insurance	Auto Medical Payments
Total Premiums				

40000FS 2743815 153

FULL SAFETY GLASS COVERAGE

POLICY NUMBER: S 2743815

COMMERCIAL AUTO
CA 04 21 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Designation Or Description Of Covered "Autos" To Which This Insurance Applies
Enter an "X" in only one of the following check boxes:

☒

All covered "autos"

☐

All covered "autos" of the private passenger type

☐

Each covered "auto" described below:

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Physical Damage Coverage is modified as follows:

Paragraph **D. Deductible** in the Business Auto and Motor Carrier Coverage Forms and Paragraph **F.5. Deductible** in the Auto Dealers Coverage Form are amended by the addition of the following:

Additionally, if the Declarations indicates that Comprehensive Coverage applies, no Comprehensive Coverage deductible applies to the cost of repairing or replacing damaged safety glass on the covered "auto(s)" described in the Schedule.

NORTH CAROLINA UNINSURED MOTORISTS COVERAGE

POLICY NUMBER: s 2743815

COMMERCIAL AUTO

CA 21 16 08 25

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or garaged in, or "auto dealer operations" conducted in, North Carolina, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Limit Of Insurance: \$1,000,000

Each "Accident"

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The definition of "uninsured motor vehicle" in this endorsement applies in its entirety unless an "X" is entered below:

☐

If an "X" is entered in this box, Paragraph **F.4.b.** of the definition of "uninsured motor vehicle" does not apply.

A. Coverage

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of:
 - a. An "uninsured motor vehicle" because of "bodily injury" sustained by the "insured" and caused by an "accident"; and
 - b. An "uninsured motor vehicle", as defined in Paragraphs **a.** and **c.** of the definition of "uninsured motor vehicle", because of "property damage" caused by an "accident".

The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".

2. With respect to damages resulting from an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle", we will pay under this coverage only if Paragraph **a.** or **b.** below applies:
 - a. The limits of any applicable liability bonds or policies have been exhausted by payment of judgments or settlements; or

- b. A tentative settlement has been made between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" and we:

- (1) Have been given prompt written notice of such tentative settlement; and
- (2) Advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

3. Any judgment for damages arising out of a "suit" brought without sending us a copy of the summons, complaint or other process against an uninsured motorist is not binding on us.

B. Who Is An Insured

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
 - a. The Named Insured and any "family members".

- b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
- a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
 - b. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
 - c. The Named Insured for "property damage" only.

C. Exclusions

This coverage does not apply to:

- 1. Any claim settled by the "insured" or any legal representative of the "insured" without our consent. However, this exclusion does not apply to a settlement made with the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" in accordance with the procedure described in Paragraph **A.2.b.**
- 2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
- 3. The direct or indirect benefit of any insurer of property.
- 4. An "auto" or property contained in the "auto" other than a covered "auto".
- 5. The first \$100 of the amount of "property damage" to the property of each "insured" as the result of any one "accident".
- 6. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
- 7. Punitive or exemplary damages.
- 8. "Bodily injury" or "property damage" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. 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
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

D. Limit Of Insurance

- 1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the limit of Uninsured Motorists Coverage shown in the Declarations. However:
 - a. The damages sustained by the "insured" for "bodily injury" will be reduced by all sums paid or payable because of the "bodily injury" under any workers' compensation law.
 - b. If a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" is insured under Covered Autos Liability Coverage of this policy, the available Uninsured Motorists Coverage is that amount of Uninsured Motorists Coverage under this policy which exceeds this policy's Covered Autos Liability Coverage bodily injury liability limits.
- 2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form or Medical Payments Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any disability benefits or similar law, exclusive of workers' compensation and nonoccupational disability benefits.

E. Changes In Conditions

The Conditions are changed for Uninsured Motorists Coverage as follows:

- 1. **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. If this policy provides insurance on nonfleet private passenger motor vehicles as described in G.S. 58-40-10(1) and (2), then the maximum recovery under all Coverage Forms or policies combined for the same "accident" shall be the sum of the highest applicable limit for any one vehicle under each Coverage Form or policy providing this coverage.

b. If Paragraph **a.** does not apply, then the maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.

c. Any insurance we provide with respect to a vehicle:

- (1) The Named Insured does not own; or
- (2) Owned by the Named Insured or, if the Named Insured is an individual, any "family member", that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;

shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.

d. If the coverage under this Coverage Form is provided:

- (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
- (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and **Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions** in the Auto Dealers Coverage Form are changed by adding the following:

- a. Promptly notify the police if a hit-and-run driver is involved.
- b. Promptly send us copies of the legal papers if a "suit" is brought. A "suit" may not be brought against anyone legally responsible for the use of any "auto" involved in the "accident" until 60 days after an "insured" notifies us or our agent of his or her belief that the prospective defendant is an uninsured motorist.
- c. Any person who intends to pursue recovery against the owner or operator of an "uninsured motor vehicle", as described in Paragraph **b.** of the definition of "uninsured motor vehicle", for damages beyond those paid or payable under this policy shall give us:

(1) Notice of such intent; and

(2) The opportunity to participate, at our expense, in the prosecution of such claim.

- d. A person seeking coverage from an insurer, owner or operator of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" must also promptly notify us in writing of a tentative settlement between the "insured" and the insurer and allow us to advance payment to that "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification to preserve our rights against the insurer, owner or operator of such vehicle.

3. Transfer Of Rights Of Recovery Against Others To Us is changed as follows:

- a. If we make any payment on the Named Insured's behalf, we are entitled to recover what we paid from other parties. The Named Insured must transfer rights of recovery against others to us. The Named Insured must do everything necessary to secure these rights and do nothing to jeopardize them.

However, our rights under this paragraph do not apply with respect to vehicles described in Paragraphs **F.4.a., c. and d.** of the definition of "uninsured motor vehicle". For these vehicles, if we make any payment and the Named Insured recovers from another party, that Named Insured must hold the proceeds in trust for us and pay us back the amounts we have paid.

- b. Our rights do not apply under this provision with respect to damages caused by an "accident" with a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle" if we:

(1) Have been given prompt written notice of a tentative settlement between an "insured" and the insurer of a vehicle described in Paragraph **b.** of the definition of "uninsured motor vehicle"; and

(2) Fail to advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the "insured" in an amount equal to the tentative settlement within 30 days after receipt of notification:

(1) That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motor Vehicle Coverage; and

(2) We also have a right to recover the advanced payment.

4. The following is added to the **Two Or More Coverage Forms Or Policies Issued By Us** Condition:

If this policy provides insurance on nonfleet private passenger motor vehicles as described in G.S. 58-40-10(1) and (2), then this provision does not apply to Uninsured Motorists Coverage.

5. The following condition is added:

Arbitration

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured", then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. The "insured" may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.
- c. If the "insured" elects not to arbitrate, our liability will be determined only in an action against us. In any action against us, except an action to determine whether a vehicle is an "uninsured motor vehicle", we may require the "insured" to join the owner or driver of the vehicle as a party defendant.

If the "insured" elects arbitration to determine the amount of "property damage", then the Appraisal For Property Damage Condition does not apply.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

3. "Property damage" means injury to or destruction of the property of an "insured".
4. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
- a. For which neither a bond or policy nor cash or securities on file with the North Carolina Commissioner of Motor Vehicles provides at least the amounts required by the North Carolina Motor Vehicle Safety and Responsibility Act.
- b. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or "trailer" for which the sum of all bodily injury liability bonds or policies at the time of an "accident" provides at least the amounts required by the North Carolina Motor Vehicle Safety and Responsibility Act, and:
- (1) Is less than the total damages sustained by an "insured"; or;
- (2) The total limit of liability available has been exhausted and the total amount actually paid from the exhaustion of the total limit of insurance available at the time of the "accident" is less than the total damages sustained by an "insured".
- c. For which the insuring or bonding company denies coverage or is or becomes insolvent.
- d. That is a hit-and-run vehicle causing "bodily injury" to an "insured" and neither the driver nor owner can be identified. The vehicle must hit an "insured", a covered "auto" or a vehicle an "insured" is "occupying".

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law.
- b. Owned by:
- (1) The United States of America;
- (2) Canada;
- (3) A state; or
- (4) An agency, except vehicles owned by political subdivisions of (1), (2) or (3) above.
- c. Designed for use mainly off public roads while not on public roads.

DRIVE OTHER CAR COVERAGE — BROADENED COVERAGE FOR NAMED INDIVIDUALS

POLICY NUMBER: s 2743815

COMMERCIAL AUTO
CA 99 10 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Name Of Individual: AMANDA BURNS

Covered Autos Liability Coverage	Limit:	\$1,000,000	Premium:	\$213.00
Auto Medical Payments	Limit:	\$5,000	Premium:	\$4.00
Comprehensive	Deductible:	FULL	Premium:	\$34.00
Collision	Deductible:	\$50	Premium:	\$164.00
Uninsured Motorists	Limit:	\$1,000,000	Premium:	\$30.00
Underinsured Motorists	Limit:		Premium:	

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Note — When Uninsured Motorists Coverage is provided at limits higher than the basic limits required by a financial responsibility law, Underinsured Motorists Coverage is included, unless otherwise noted. If Underinsured Motorists Coverage is provided as a separate coverage, make appropriate entry in the Schedule above.

A. This endorsement changes only those coverages where a premium is shown in the Schedule.

B. Changes In Liability Coverage

1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by any individual named in the Schedule or by his or her spouse while a resident of the same household except:

- a. Any "auto" owned by that individual or by any member of his or her household.
- b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

2. The following is added to **Who Is An Insured:**

Any individual named in the Schedule and his or her spouse, while a resident of the same household, are "insureds" while using any covered "auto" described in Paragraph **B.1.** of this endorsement.

C. Changes In Auto Medical Payments And Uninsured And Underinsured Motorists Coverages

The following is added to **Who Is An Insured:**

Any individual named in the Schedule and his or her "family members" are "insureds" while "occupying" or while a pedestrian when being struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member".

D. Changes In Physical Damage Coverage

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any individual named in the Schedule or his or her spouse while a resident of the same household except:

1. Any "auto" owned by that individual or by any member of his or her household.
2. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

E. Additional Definition

As used in this endorsement:

"Family member" means a person related to the individual named in the Schedule by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

DRIVE OTHER CAR COVERAGE — BROADENED COVERAGE FOR NAMED INDIVIDUALS

POLICY NUMBER: s 2743815

COMMERCIAL AUTO
CA 99 10 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

Named Insured:

Endorsement Effective Date:

SCHEDULE

Name Of Individual: GREYSON BURNS

Covered Autos Liability Coverage	Limit:	\$1,000,000	Premium:	\$213.00
Auto Medical Payments	Limit:	\$5,000	Premium:	\$4.00
Comprehensive	Deductible:	FULL	Premium:	\$34.00
Collision	Deductible:	\$50	Premium:	\$164.00
Uninsured Motorists	Limit:	\$1,000,000	Premium:	\$30.00
Underinsured Motorists	Limit:		Premium:	

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Note — When Uninsured Motorists Coverage is provided at limits higher than the basic limits required by a financial responsibility law, Underinsured Motorists Coverage is included, unless otherwise noted. If Underinsured Motorists Coverage is provided as a separate coverage, make appropriate entry in the Schedule above.

A. This endorsement changes only those coverages where a premium is shown in the Schedule.

B. Changes In Liability Coverage

1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by any individual named in the Schedule or by his or her spouse while a resident of the same household except:

- a. Any "auto" owned by that individual or by any member of his or her household.
- b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

2. The following is added to **Who Is An Insured:**

Any individual named in the Schedule and his or her spouse, while a resident of the same household, are "insureds" while using any covered "auto" described in Paragraph **B.1.** of this endorsement.

C. Changes In Auto Medical Payments And Uninsured And Underinsured Motorists Coverages

The following is added to **Who Is An Insured:**

Any individual named in the Schedule and his or her "family members" are "insureds" while "occupying" or while a pedestrian when being struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member".

D. Changes In Physical Damage Coverage

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any individual named in the Schedule or his or her spouse while a resident of the same household except:

1. Any "auto" owned by that individual or by any member of his or her household.
2. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

E. Additional Definition

As used in this endorsement:

"Family member" means a person related to the individual named in the Schedule by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

BUSINESS AUTO COVERAGE FORM

COMMERCIAL AUTO
CA 00 01 11 20

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

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

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

SECTION I — COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

A. Description Of Covered Auto Designation Symbols

Symbol	Description Of Covered Auto Designation Symbols	
1	Any "Auto"	
2	Owned "Autos" Only	Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the Policy begins.
3	Owned Private Passenger "Autos" Only	Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the Policy begins.
4	Owned "Autos" Other Than Private Passenger "Autos" Only	Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the Policy begins.
5	Owned "Autos" Subject To No-fault	Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the Policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.
6	Owned "Autos" Subject To A Compulsory Uninsured Motorists Law	Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the Policy begins provided they are subject to the same state uninsured motorists requirement.
7	Specifically Described "Autos"	Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).
8	Hired "Autos" Only	Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent, or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.
9	Non-owned "Autos" only	Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs.

19	Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only	Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this Policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.
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B. Owned Autos

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire after the policy period begins of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire after the policy period begins will be a covered "auto" for that coverage only if:
 - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
 - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.
3. An "auto" that is leased or rented to you without a driver, under a written agreement for a continuous period of at least six months that requires you to provide primary insurance covering such "auto", will be considered a covered "auto" you own.

C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a registered Gross Vehicle Weight Rating of 3,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
 - a. Breakdown;
 - b. Repair;
 - c. Servicing;
 - d. "Loss"; or
 - e. Destruction.

SECTION II — COVERED AUTOS LIABILITY COVERAGE

A. Coverage

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

1. Who Is An Insured

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
 - (1) The owner or anyone else from whom you hire or borrow a covered "auto".
This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
 - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.

(3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.

(4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".

(5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

2. Coverage Extensions

a. Supplementary Payments

We will pay for the "insured":

(1) All expenses we incur.

(2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.

(5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".

(6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

(1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.

(2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

B. Exclusions

This insurance does not apply to any of the following:

1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or

b. That the "insured" would have in the absence of the contract or agreement.

3. Workers' Compensation

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

a. An "employee" of the "insured" arising out of and in the course of:

(1) Employment by the "insured"; or

(2) Performing the 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:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "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 fellow "employee" as a consequence of Paragraph a. above.

6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, 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 law where it is licensed or principally garaged.

10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
 - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs **6.b.** and **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and

- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. 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
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

14. Unmanned Aircraft

"Bodily injury" or "property damage" arising out of ownership, maintenance or use of "unmanned aircraft".

C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

SECTION III — PHYSICAL DAMAGE COVERAGE

A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

- a. **Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

- b. **Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

- c. **Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

2. **Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" that is a private passenger type, light truck or medium truck is disabled. However, the labor must be performed at the place of disablement.

3. **Glass Breakage — Hitting A Bird Or Animal - Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

4. Coverage Extensions

- a. **Transportation Expenses**

We will pay up to \$30 per day, to a maximum of \$900, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the Policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

- b. **Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or
- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$30 per day, to a maximum of \$900.

B. Exclusions

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

- a. **Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

b. War Or 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.

- 2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.
- 3. We will not pay for "loss" due and confined to:
 - a. Wear and tear, freezing, mechanical or electrical breakdown.
 - b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".
- 4. We will not pay for "loss" to any of the following:
 - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
 - b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
 - c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
 - d. Any accessories used with the electronic equipment described in Paragraph **c.** above.

- 5. Exclusions **4.c.** and **4.d.** do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:
 - a. Permanently installed in or upon the covered "auto";
 - b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

- c. An integral part of the same unit housing any electronic equipment described in Paragraphs **a.** and **b.** above; or
 - d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.
- 6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

C. Limits Of Insurance

- 1. The most we will pay for:
 - a. "Loss" to any one covered "auto" is the lesser of:
 - (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or
 - (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
 - b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:
 - (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
 - (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
 - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
- 2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
- 3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations prior to the application of the Limit of Insurance, provided that:

- 1. The Comprehensive or Specified Causes of Loss Coverage deductible applies only to "loss" caused by:
 - a. Theft or mischief or vandalism; or
 - b. All perils.

2. Regardless of the number of covered "autos" damaged or stolen, the maximum deductible applicable for all "loss" in any one event caused by:

- a. Theft or mischief or vandalism; or
- b. All perils.

will be equal to five times the highest deductible applicable to any one covered "auto" on the Policy for Comprehensive or Specified Causes Of Loss Coverage. The application of the highest deductible used to calculate the maximum deductible will be made regardless of which covered "autos" were damaged or stolen in the "loss".

SECTION IV — BUSINESS AUTO CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

A. Loss Conditions

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value 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.

2. Duties In The Event Of Accident, Claim, Suit Or Loss

We have no duty to provide coverage under this Policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
 - (1) How, when and where the "accident" or "loss" occurred;
 - (2) The "insured's" name and address; and
 - (3) To the extent possible, the names and addresses of any injured persons and witnesses.

- b. Additionally, you and any other involved "insured" must:

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

- c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

3. Legal Action Against Us

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this Policy to bring us into an action to determine the "insured's" liability.

4. Loss Payment - Physical Damage Coverages

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;

- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

B. General Conditions

1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

2. Concealment, Misrepresentation Or Fraud

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

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

3. Liberalization

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

4. No Benefit To Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

5. Other Insurance

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own; or
- (2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

6. Premium Audit

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this Policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.
- b. If this Policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the Policy.

7. Policy Period, Coverage Territory

Under this Coverage Form, we cover “accidents” and “losses” occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere else in the world if a covered “auto” of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the “insured’s” responsibility to pay damages is determined in a “suit” on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover “loss” to, or “accidents” involving, a covered “auto” while being transported between any of these places.

8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same “accident”, the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

SECTION V — DEFINITIONS

- A. “Accident” includes continuous or repeated exposure to the same conditions resulting in “bodily injury” or “property damage”.
- B. “Auto” means:
 1. A land motor vehicle, “trailer” or semitrailer designed for travel on public roads; or
 2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, “auto” does not include “mobile equipment”.

- C. “Bodily injury” means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.

- D. “Covered pollution cost or expense” means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any “insured” or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, “pollutants”; or
2. Any claim or “suit” by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, “pollutants”.

“Covered pollution cost or expense” does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of “pollutants”:

- a. That are, or that are contained in any property that is:
 - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered “auto”; or
 - (2) Otherwise in the course of transit by or on behalf of the “insured”; or
 - (3) Being stored, disposed of, treated or processed in or upon the covered “auto”;
- b. Before the “pollutants” or any property in which the “pollutants” are contained are moved from the place where they are accepted by the “insured” for movement into or onto the covered “auto”; or
- c. After the “pollutants” or any property in which the “pollutants” are contained are moved from the covered “auto” to the place where they are finally delivered, disposed of or abandoned by the “insured”.

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar “pollutants” that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered “auto” or its parts, if:

- (1) The “pollutants” escape, seep, migrate or are discharged, dispersed or released directly from an “auto” part designed by its manufacturer to hold, store, receive or dispose of such “pollutants”; and

- (2) The “bodily injury”, “property damage” or “covered pollution cost or expense” does not arise out of the operation of any equipment listed in Paragraph 6.b. or 6.c. of the definition of “mobile equipment”.

Paragraphs b. and c. above do not apply to “accidents” that occur away from premises owned by or rented to an “insured” with respect to “pollutants” not in or upon a covered “auto” if:

- (a) The “pollutants” or any property in which the “pollutants” are contained are upset, overturned or damaged as a result of the maintenance or use of a covered “auto”; and
 - (b) The discharge, dispersal, seepage, migration, release or escape of the “pollutants” is caused directly by such upset, overturn or damage.
- E. “Diminution in value” means the actual or perceived loss in market value or resale value which results from a direct and accidental “loss”.
- F. “Employee” includes a “leased worker”. “Employee” does not include a “temporary worker”.
- G. “Insured” means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or “suit” is brought.
- H. “Insured contract” means:
- 1. A lease of premises;
 - 2. A sidetrack agreement;
 - 3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - 4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
 - 5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for “bodily injury” or “property damage” to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or

6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your “employees”, of any “auto”. However, such contract or agreement shall not be considered an “insured contract” to the extent that it obligates you or any of your “employees” to pay for “property damage” to any “auto” rented or leased by you or any of your “employees”.

An “insured contract” does not include that part of any contract or agreement:

- a. That indemnifies a railroad for “bodily injury” or “property damage” arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
 - b. That pertains to the loan, lease or rental of an “auto” to you or any of your “employees”, if the “auto” is loaned, leased or rented with a driver; or
 - c. That holds a person or organization engaged in the business of transporting property by “auto” for hire harmless for your use of a covered “auto” over a route or territory that person or organization is authorized to serve by public authority.
- I. “Leased worker” means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. “Leased worker” does not include a “temporary worker”.
- J. “Loss” means direct and accidental loss or damage.
- K. “Mobile equipment” means any of the following types of land vehicles, including any attached machinery or equipment:
- 1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
 - 2. Vehicles maintained for use solely on or next to premises you own or rent;
 - 3. Vehicles that travel on crawler treads;
 - 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;

5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
- a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
- a. Equipment designed primarily for:
 - (1) Snow removal;
 - (2) Road maintenance, but not construction or resurfacing; or
 - (3) Street cleaning;
 - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
 - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

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

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
1. Damages because of "bodily injury" or "property damage"; or
 2. A "covered pollution cost or expense";
- to which this insurance applies, are alleged.
- "Suit" includes:
- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
 - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.
- Q. "Unmanned aircraft" means an aircraft that is not":
1. Designed;
 2. Manufactured; or
 3. Modified after manufacture;
- to be controlled directly by a person from within or on the aircraft.

NORTH CAROLINA CHANGES

COMMERCIAL AUTO
CA 01 26 01 25

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

For a covered "auto" licensed or principally garaged in, or "auto dealer operations" conducted in, North Carolina, this endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

1. The Covered Autos Liability Limit of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by North Carolina law as follows:
 - a. \$50,000 for "bodily injury" to any one person caused by any one "accident";
 - b. \$100,000 for "bodily injury" to two or more persons caused by any one "accident"; and
 - c. \$50,000 for "property damage" caused by any one "accident".

This provision will not change the Limit of Insurance.

2. If the policy provides Covered Autos Liability Coverage only for owned "autos", a temporary substitute for one of these will also be considered a covered "auto", subject to the following provisions:
 - a. The owned "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.
 - b. The temporary substitute must be owned by someone other than you or a member of your household.
 - c. The temporary substitute must be with the permission of the owner.
 - d. The Covered Autos Liability Coverage for the temporary substitute is excess over any other collectible insurance.

B. Changes In Physical Damage Coverage

Paragraph **A.3. Glass Breakage — Hitting A Bird Or Animal — Falling Objects Or Missiles** in the Business Auto and Motor Carrier Coverage Forms and Paragraph **F.1.b. Glass Breakage — Hitting A Bird Or Animal — Falling Objects Or Missiles** in the Auto Dealers Coverage Form are replaced by the following:

Glass Breakage — Hitting A Bird Or Animal — Falling Objects Or Missiles

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by the covered "auto's" collision or overturn and "loss" caused by hitting a bird or animal considered a "loss" under Collision Coverage.

C. Changes In Uninsured Motorists Coverage

The Limit of Insurance applies except that we will apply the limit shown in the Declarations to first provide the separate limits required by North Carolina law as follows:

1. \$50,000 for "bodily injury" to any one person caused by any one "accident";
2. \$100,000 for "bodily injury" to two or more persons caused by any one "accident"; and
3. \$50,000 for "property damage" caused by any one "accident".

This provision will not change the total Limit of Insurance.

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D. Changes In Auto Medical Payments Coverage

If the Auto Medical Payments Coverage endorsement is attached, then Exclusion **C.5.** relating to “bodily injury” to an “insured” while working in a business of selling, servicing, repairing or parking “autos”, applies only if workers’ compensation benefits are available.

E. Changes In Garagekeepers Coverage

If the policy provides Garagekeepers Coverage, any deductible will apply only to the amount of “loss” and will not reduce the Limit of Insurance.

F. Changes In Conditions

1. Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:
 2. We may cancel any type or limit of coverage provided by this policy to the extent that it cannot be ceded to the North Carolina Reinsurance Facility as follows:
 - a. If this policy has been in effect for less than 60 days, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
 - b. 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 prior to the:
 - (1) Expiration of the policy term; or
 - (2) Anniversary date;stated in the policy only for one or more of the following reasons:
 - (a) Nonpayment of premium. Cancellation for nonpayment of premium is not effective if the amount due is paid before the effective date set forth in the notice of cancellation.
 - (b) An act or omission by the “insured” or his or her representative that constitutes material misrepresentation or nondisclosure of a material fact in obtaining this policy, continuing this policy, or presenting a claim under this policy.

- (c) Increased hazard or material change in the risk assumed that could not have been reasonably contemplated by the parties at the time of assumption of the risk.
- (d) Substantial breach of contractual duties, conditions or warranties that materially affects the insurability of the risk.
- (e) A fraudulent act against us by the “insured” or his or her representative that materially affects the insurability of the risk.
- (f) Willful failure by the “insured” or his or her representative to institute reasonable loss control measures that materially affect the insurability of the risk after written notice by us.
- (g) Loss of facultative reinsurance, or loss of or substantial changes in applicable reinsurance as provided in G.S. 58-41-30.
- (h) Conviction of the “insured” of a crime arising out of acts that materially affect the insurability of the risk.
- (i) A determination by the Commissioner of Insurance that the continuation of the policy would place us in violation of the laws of North Carolina.
- (j) You fail to meet the requirements contained in our corporate charter, articles of incorporation, or bylaws, when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.

We may cancel any type or limit of coverage provided by the policy to the extent that it can be ceded to the North Carolina Reinsurance Facility only for one or more of the following reasons by mailing to the first Named Insured at least 15 days’ notice at the last address known to us:

- (1) Nonpayment of premium.
- (2) You become a nonresident of North Carolina and are not otherwise entitled to insurance through the Reinsurance Facility.

- (3) Our contract with the agent through whom this policy is written is terminated for reasons other than the quality of the agent's "insureds".
 - (4) This policy is cancelled pursuant to a power of attorney given a company licensed according to the provisions of G.S. 58-56.
2. To the extent that any type or limit of coverage provided by this policy cannot be ceded to the North Carolina Reinsurance facility, the following provision is added and supersedes any other provisions to the contrary:

Nonrenewal

- a. If we elect not to renew this policy, we will mail or deliver to the first Named Insured shown in the Declarations written notice of nonrenewal at least 45 days prior to the:
 - (1) Expiration of the policy if it has been written for one year or less; or
 - (2) Anniversary date if it is a continuous policy or has been written for more than one year or for an indefinite term.
 - b. We need not mail or deliver the notice of nonrenewal if you have:
 - (1) Insured property covered under this policy under any other insurance policy;
 - (2) Accepted replacement coverage; or
 - (3) Requested or agreed to nonrenewal of this policy.
 - c. If notice is mailed, proof of mailing will be sufficient proof of notice.
 - d. The written notice of cancellation or nonrenewal will:
 - (1) Be mailed or delivered to the first Named Insured and any designated loss payee at their addresses shown in the policy, or if not indicated in the policy, at their last known addresses; and
 - (2) State the reason or reasons for cancellation or nonrenewal.
3. To the extent that any type or limit of coverage provided by this policy can be ceded to the North Carolina Reinsurance Facility, the following provision is added and supersedes any other provision to the contrary:

Nonrenewal

We may nonrenew this policy only for one or more of the following reasons:

- a. Nonpayment of premium.

- b. You become a nonresident of North Carolina and are not otherwise entitled to insurance through the Reinsurance facility.
- c. Our contract with the agent through whom this policy is written is terminated for reasons other than the quality of the agent's "insureds".
- d. This policy is cancelled pursuant to a power of attorney given a company licensed according to the provisions of G.S. 58-56.
- e. You fail to meet the requirements contained in our corporate charter, articles of incorporation, or bylaws, when we are a company organized for the sole purpose of providing members of an organization with insurance coverage in North Carolina.

4. Common Policy Condition **B. Changes** is changed to read as follows:

This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium for that change as of the effective date of change. If we revise this policy form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

5. Loss Condition **1. Appraisal For Physical Damage Loss** is replaced by the following:

1. Appraisal For Physical Damage Loss

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision, in writing, 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.

6. The following is added to **Loss Conditions:**

Appraisal For Property Damage

In the event of an "accident":

1. If the claimant and we fail to agree as to the difference in fair market value of the motor vehicle immediately before and immediately after the "accident" and the difference in the claimant's and our estimate of the diminution in fair market value of the vehicle is greater than \$2,000 or 25% of the fair market retail value of the vehicle prior to the "accident" as determined by the latest edition of the National Automobile Dealers Association Pricing Guide Book or other publications approved by the Commissioner of Insurance, whichever is less; and
2. Liability for coverage for the claim is not in dispute;

then on the written demand of either the claimant or us, each shall select a competent and disinterested appraiser and notify the other of the appraiser selected within 20 days after the demand.

Should the appraisers fail to agree, they shall then select a competent and disinterested appraiser to serve as an umpire. If the appraisers cannot agree upon an umpire within 15 days, either the claimant or we may request that a magistrate resident in the county where the insured motor vehicle is registered or the county where the "accident" occurred select the umpire.

The umpire then shall prepare a report determining the amount of "property damage" and shall file the report with us and the claimant.

The claimant or we shall have 15 days from the filing of the report to reject the report and notify the other party of such rejection. If the report is not rejected within 15 days from the filing of the report, the report shall be binding upon both the claimant and us.

Each appraiser shall be paid by the party selecting the appraiser, and the expenses of appraisal and umpire shall be paid by the parties equally.

If either party elects to have an appraisal to determine the amount of "property damage", then the amount of "property damage" cannot be decided through arbitration.

7. Paragraph 2. of the **Concealment, Misrepresentation Or Fraud General Conditions** is amended by the addition of the following:

This condition does not apply for coverage up to the minimum limits of liability required by the North Carolina Financial Responsibility Act of 1957.

EXCLUSION OF FEDERAL EMPLOYEES USING AUTOS IN GOVERNMENT BUSINESS

COMMERCIAL AUTO
CA 04 42 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The following are not "insureds" under Covered Autos Liability Coverage:

- A. The United States of America or any of its agencies.
- B. Any United States Government "employee", including you, for "bodily injury" or "property damage" resulting from the operation of an "auto", if:
 - 1. The "bodily injury" or "property damage" results while the "employee" is acting as an "employee"; and

- 2. The Federal Tort Claims Act requires the U.S. Attorney General to defend the "employee" in any civil action or proceeding that may be brought for the "bodily injury" or "property damage".

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EMPLOYEE HIRED AUTOS

COMMERCIAL AUTO
CA 20 54 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Auto Liability Coverage

The following is added to the **Who Is An Insured** provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

For Hired Auto Physical Damage Coverage, any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your permission, while performing duties related to the conduct of your business is deemed to be a covered "auto" you own.

B. Changes In General Conditions

Paragraph **5.b.** of the **Other Insurance** Condition in the Business Auto, and Auto Dealers Coverage Forms and Paragraph **5.f.** of the **Other Insurance — Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are amended by the addition of the following:

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PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION

COMMERCIAL AUTO
CA 23 45 11 20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Changes In Covered Autos Liability Coverage

The following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

B. Changes In Physical Damage Coverage

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

C. Changes In Auto Medical Payments

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

D. Changes In Uninsured And/Or Underinsured Motorists Coverage

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:

- a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
- b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

E. Changes In Personal Injury Protection Coverage

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:
 - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
 - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

2. Public Or Livery Passenger Conveyance And On-demand Delivery Services

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

F. Additional Definitions

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
 - a. With drivers; or
 - b. With local vendors using drivers;for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

PHYSICAL DAMAGE COVERAGE

COMMERCIAL AUTO
CA 70 38 08 18

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
AUTO DEALERS COVERAGE FORM

This endorsement amends PHYSICAL DAMAGE COVERAGE section of the above coverage form, effective on the inception date of the policy or as indicated above, by adding the following paragraph:

At your option, for glass losses only, any Comprehensive Coverage deductible shown in the declarations will not apply if the glass is satisfactorily repaired rather than replaced.

However, we will not waive this deductible if it is equal to or greater than the replacement cost of the glass.

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LIMITED MOBILE EQUIPMENT COVERAGE

COMMERCIAL AUTO
CA 77 74 07 06

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the:

BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM
TRUCKERS COVERAGE FORM

Except for those types of vehicles listed below, a vehicle within the "mobile equipment" definition under **SECTION V — DEFINITIONS** will be treated as an "auto" solely under **SECTION II — LIABILITY COVERAGE** but only to the extent the "mobile equipment": (1) is being driven under its own power, (2) is being driven in public rights of way, and (3) is subject to a compulsory insurance or financial responsibility law or other mandatory motor vehicle insurance law in the state where it is licensed or principally garaged. This endorsement applies regardless of any Covered Auto Designation Symbol shown in the Declarations solely with respect to the "mobile equipment" described in the foregoing sentence.

This endorsement does not provide coverage for any "mobile equipment" under **SECTION III — PHYSICAL DAMAGE COVERAGE** unless that "mobile equipment" is specifically scheduled as a covered "auto" and a premium charge is made for that "mobile equipment" as a covered "auto" in the Declarations.

Recreational vehicles, snowmobiles, ATVs, off-road motorcycles or any other similar type of vehicles or "mobile equipment" shall never be treated as an "auto" under this endorsement unless the vehicle is specifically scheduled as a covered "auto" and a premium charge is made for that vehicle as a covered "auto" in the Declarations.

If any other coverage part issued by Us or any of Our insurance company affiliates, applies or is deemed by the issuing company to apply to a loss which is also covered by this endorsement, only one coverage part that applies or is deemed by the issuing company to apply will respond to the loss and provide defense.

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ElitePac®
Commercial Automobile Extension

COMMERCIAL AUTO
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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Business Auto Coverage Form apply unless modified by the endorsement.

AMENDMENT TO SECTION I — COVERED AUTOS COVERAGES AND SECTION II — COVERED AUTOS LIABILITY COVERAGE

If this policy provides Auto Liability coverage for Owned Autos, the following extension is applicable:

EMPLOYEE OWNED AUTOS — BUSINESS USE

Solely for purposes of the coverage extended by this endorsement:

A. The following is added to SECTION I, A. Description of Covered Auto Designation Symbols:

Coverage symbols 1, 2, 3, 4, 5, 6 and 7 are amended to include the following:

Any "auto" owned by an "employee" specifically described on the Declarations page or on file with us when issued on a non-specified "auto" basis is considered an "auto" you own and not a covered "auto" you hire, borrow or lease; and

B. The following is added to SECTION II, A.1. Who Is An Insured:

An "employee" who is the owner of a specifically described "auto" on the Declarations page or on file with us when issued on a non-specified "auto" basis is an "insured".

If the "employee" owned "auto" is used:

1. Without your permission;
2. Outside the scope of any policies and procedures your business has for acceptable vehicle usage;
3. For any purpose other than the conduct of your business; or
4. By anyone other than the "employee" who owns the "auto", except another "employee",

the limits of liability available to the "employee" or anyone other than a named "insured" under all coverages shall be limited to the higher of:

1. \$250,000; or
2. The compulsory or financial responsibility law limits where the "auto" is licensed and principally garaged.

AMENDMENTS TO SECTION II — LIABILITY COVERAGE

A. If this policy provides Auto Liability coverage for Owned Autos, the following extensions are applicable accordingly:

NEWLY ACQUIRED OR FORMED ORGANIZATIONS

The following is added to **SECTION II, A.1. - Who Is An Insured:**

Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no similar insurance available to that organization. However:

1. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
2. Coverage does not apply to "bodily injury" or "property damage" resulting from an "accident" that occurred before you acquired or formed the organization.

No person or organization is an "insured" with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

EXPENSES FOR BAIL BONDS AND LOSS OF EARNINGS

Paragraphs (2) and (4) of **SECTION II, A.2.a. - Supplementary Payments** are deleted in their entirety and replaced with the following:

- (2) Up to the Limit of Insurance shown on the ElitePac Schedule for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" covered under this policy. We do not have to furnish these bonds.
- (4) All reasonable expenses incurred by the "insured" at our request. This includes actual loss of earnings because of time off from work, which we will pay up to the Limit of Insurance shown on the ElitePac Schedule.

EMPLOYEE INDEMNIFICATION AND EMPLOYER'S LIABILITY AMENDMENT

The following is added to **SECTION II, B.4. - Exclusions**

This exclusion does not apply to a "volunteer worker" who is not entitled to workers compensation, disability or unemployment compensation benefits.

FELLOW EMPLOYEE COVERAGE

The **Fellow Employee** Exclusion, **SECTION II, B.5. -** is deleted in its entirety.

CARE, CUSTODY OR CONTROL AMENDMENT

The following is added to **SECTION II, B.6. - Exclusions:**

This exclusion does not apply to property owned by anyone other than an "insured", subject to the following:

1. The most we will pay under this exception for any one "accident" is the Limit of Insurance stated in the ElitePac Schedule; and
2. A per "accident" deductible as stated in the ElitePac Schedule applies to this exception.

This coverage extension does not apply to Emergency Services Organizations and Governmental Entities.

- B.** If this policy provides Auto Liability coverage for Owned Autos, Non-Owned Autos or Hired Autos, the following extensions are applicable accordingly:

LIMITED LIABILITY COMPANIES

The following is added to **SECTION II, A.1. - Who Is An Insured:**

If you are a limited liability company, your members and managers are "insureds" while using a covered "auto" you don't own, hire or borrow during the course of their duties for you.

BLANKET ADDITIONAL INSURED - As Required By Contract

The following is added to **SECTION II, A.1. - Who Is An Insured:**

Any person or organization whom you have agreed in a written contract, written agreement or written permit that such person or organization be added as an additional "insured" on the Business Auto Coverage Part on your policy is an additional "insured" but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by your ownership, maintenance or use of a covered "auto". This coverage shall be primary and non-contributory with respect to the additional "insured". This provision only applies if:

1. It is required in the written contract, written agreement or written permit identified in this section;
 2. It is permitted by law; and
 3. The written contract or written agreement has been executed (executed means signed by a named insured) or written permit issued prior to the "bodily injury" or "property damage".
- C.** If this policy provides Auto Liability coverage for Non-Owned Autos, the following extension is applicable accordingly:

EMPLOYEES AS INSURED

If this policy provides Auto Liability coverage for Non-Owned Autos, the following is added to **SECTION II, A.1. - Who Is An Insured:**

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name with your permission, while performing duties related to the conduct of your business.

AMENDMENTS TO SECTION III — PHYSICAL DAMAGE COVERAGE

For those covered "autos" for which Comprehensive, Specified Causes of Loss or Collision coverage is shown in the Declaration, the following extensions of coverage are applicable:

TOWING AND LABOR

SECTION III, A.2. - Towing is deleted in its entirety and replaced with the following:

We will pay all reasonable towing and labor costs up to the applicable Limit of Insurance shown on the ElitePac Schedule per tow each time a covered Private Passenger Auto, "Social Service Van or Bus", "Light Truck" or any commercial "auto" with a gross vehicle weight rating or gross combination weight greater than 10,000 pounds is disabled. For labor charges to be eligible for reimbursement the labor must be performed at the place of disablement.

Coverage for towing and labor costs afforded by any other endorsement added to the commercial auto policy shall apply in excess of the coverage afforded by this ElitePac.

This coverage extension does not apply to Emergency Services Organizations and Governmental Entities.

GLASS BREAKAGE DEDUCTIBLE

The following is added to **SECTION III, A.3. - Glass Breakage - Hitting A Bird Or Animal - Falling Objects or Missiles**:

If damaged glass is repaired rather than replaced, no deductible will apply for such repair.

This extension does not apply to Emergency Services Organizations and Governmental Entities.

ADDITIONAL TRANSPORTATION EXPENSES

SECTION III, A.4.a. - Transportation Expenses is deleted in its entirety and replaced with the following:

We will pay up to the Limit of Insurance shown on the ElitePac Schedule for temporary transportation expenses that you incur because of any "loss" to a covered "auto", but only if the covered "auto" carries the coverages and meets the requirements described in Paragraphs 1. or 2. below:

1. We will pay temporary transportation expenses for total theft of a covered "auto". We will only pay for such expenses incurred during the period beginning 24 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".
2. For "loss" other than total theft of a covered "auto" under Comprehensive or Specified Causes of Loss Coverage, or for any "loss" under Collision Coverage to a covered "auto", we will only pay for those temporary transportation expenses incurred during a period of time during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the number of days reasonably required to repair or replace the covered "auto", even if that time period extends beyond the policy expiration date or 30 days.

Paragraph 2. of this extension does not apply while there are spare or reserve "autos" available to you for your operations.

This coverage extension does not apply to Emergency Services Organizations and Governmental Entities.

HIRED AUTO PHYSICAL DAMAGE COVERAGE

If Comprehensive, Specified Causes of Loss or Collision coverage applies to a covered "auto", the following is added to **SECTION III, A.4. - Coverage Extensions**:

Physical Damage coverage is hereby extended to apply to Physical Damage "loss" to "autos" leased, hired, rented or borrowed without a driver. We will provide coverage equal to the broadest coverage available to any covered "auto" shown on the Declarations; however, the most we will pay for "loss" to each "auto" under this coverage extension is the lesser of:

1. The Limit of Insurance stated in the ElitePac Schedule; or
2. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
3. The actual cost of repairing or replacing the damaged or stolen property with other property of like kind and quality. A part is of like kind and quality when it is of equal or better condition than the pre-accident part. We will use the original equipment from the manufacturer when:
 - (a) The operational safety of the vehicle might otherwise be impaired;
 - (b) Reasonable and diligent efforts to locate the appropriate rebuilt, aftermarket or used part have been unsuccessful;
 - (c) A new original equipment part of like kind and quality is available and will result in the lowest overall repair cost.

For each leased, hired, rented or borrowed covered "auto", our obligation to pay each applicable "loss" will be reduced by the hired "auto" deductible on this policy. If there is no hired "auto" coverage symbol 8 for physical damage coverage on the policy, our obligation to pay for each "loss" will be reduced by the deductible equal to the highest deductible applicable to any owned "auto" for that coverage. No deductible will be applied to any "loss" caused by fire or lightning.

SECTION IV, B. 5. Other Insurance Condition, Paragraph 5.b. is deleted in its entirety and replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent, or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

This coverage extension does not apply to Emergency Services Organizations and Governmental Entities.

HIRED AUTO LOSS OF USE COVERAGE

If Comprehensive, Specified Causes of Loss or Collision coverage applies to a covered "auto" the following, is added to **SECTION III, A.4. - Coverage Extensions**:

We will pay expenses for which you are legally responsible to pay for loss of use of a leased, hired, rented or borrowed "auto" if it results from an "accident". The per day limit in the Business Auto Coverage form does not apply and the most we will pay per "accident" is the Limit of Insurance shown on the ElitePac Schedule.

Loss of Use Expense limits afforded by any endorsement added to the commercial auto policy shall apply in excess of the coverage afforded by this ElitePac form.

This coverage extension does not apply to Emergency Services Organizations, Governmental Entities, and Schools.

AUTO LOAN/LEASE GAP COVERAGE (Not Available in New York)

If Comprehensive, Specified Causes of Loss or Collision coverage applies to a covered "auto", the following is added to **SECTION III, A.4. - Coverage Extensions**:

In the event of a total "loss" to a covered "auto" we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the Physical Damage Coverage Section of the policy; and
2. Any:
 - a. Overdue or any deferred lease/loan payments at the time of "loss";
 - b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear, high mileage or similar charges;
 - c. Security deposits not refunded by the lessor or financial institution;

- d. Costs for extended warranties, credit life, health, accident, or disability insurance purchased with the loan or lease; and
- e. Carry-over balances from previous leases or loans.

You are responsible for the deductible applicable to the "loss" for the covered "auto".

The insurance provided by this coverage provision is excess over any other collectible insurance including but not limited to any coverage provided by or purchased from the lessor or any financial institution.

PERSONAL EFFECTS

The following is added to **SECTION III, A.4. - Coverage Extensions**:

If this policy provides Comprehensive Coverage for a covered "auto" you own and that covered "auto" is stolen, we will pay up to the Limit of Insurance shown on the ElitePac Schedule, without application of a deductible, for lost personal effects that were in the covered "auto" at the time of theft. Personal effects do not include jewelry, tools, money, securities or valuable papers. This coverage is excess over any other collectible insurance.

AIRBAG COVERAGE

The following is added to **SECTION III, B.3.a. - Exclusions**:

Mechanical breakdown does not include the accidental discharge of an airbag.

This coverage extension does not apply to Emergency Services Organizations and Governmental Entities.

EXPANDED AUDIO, VISUAL, AND DATA ELECTRONIC EQUIPMENT COVERAGE

SECTION III, B.4. - Exclusions

This exclusion does not apply to the following:

1. Global positioning systems;
2. "Telematic devices"; or
3. Electronic equipment that reproduces, receives or transmits visual or data signals and accessories used with such equipment, provided such equipment is:
 - a. Permanently installed in or upon the covered "auto" at the time of the "loss";
 - b. Removable from a housing unit that is permanently installed in the covered "auto" at the time of the "loss";
 - c. Designed to be solely operated by use of power from the "auto's" electrical system; or
 - d. Designed to be used solely in or upon the covered "auto".

For each covered "loss" to such equipment, a deductible of \$50 shall apply, unless the deductible otherwise applicable to such equipment is less than \$50, at which point the lower deductible, if any, will apply.

COMPREHENSIVE DEDUCTIBLE - LOCATION TRACKING DEVICE

The following is added to **SECTION III, D. - Deductible:**

Any Comprehensive Coverage Deductible shown in the Declarations will be reduced by 50% for any "loss" caused by theft if the covered "auto" is equipped with a location tracking device and that device was the sole method used to recover the "auto".

PHYSICAL DAMAGE LIMIT OF INSURANCE

SECTION III, C. - Limit Of Insurance is deleted in its entirety and replaced with the following:

The most we will pay for a "loss" in any one "accident" is the lesser of:

1. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
2. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

This coverage extension does not apply to Emergency Services Organizations and Governmental Entities.

GREEN AUTOMOBILE REPLACEMENT COVERAGE

In the event of a total "loss" to an owned "auto" that is a "gasoline powered auto" for which Comprehensive, Specified Causes of Loss, or Collision coverage applies, Physical Damage coverage will be amended as follows:

If the owned "gasoline powered auto" is replaced by you with a "green auto", we will pay an additional 10% of the "gasoline powered auto's" actual cash value up to a maximum of \$3,000, provided the "auto" is replaced and a copy of a bill of sale or new lease agreement is received by us within 60 calendar days of the date of the "loss".

Regardless of the number of "autos" deemed a total loss, the most we will pay under this coverage extension for any one "loss" is \$10,000.

AMENDMENTS TO SECTION IV — BUSINESS AUTO CONDITIONS

DUTIES IN THE EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

The following is added to **SECTION IV, A.2.a. - Duties In The Event Of Accident, Claim, Suit Or Loss:**

The notice requirements for reporting "accident" claim, "suit" or "loss" information to us, including provisions related to the subsequent investigation of such "accident", claim, "suit" or "loss" do not apply until the "accident", claim, "suit" or "loss" is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. An executive officer or insurance manager, if you are a corporation;

4. Your members, managers or insurance manager, if you are a limited liability company;
5. Your elected or appointed officials, trustees, board members or your insurance manager, if you are an organization other than a partnership, joint venture or limited liability company.

However, this section does not amend the provisions relating to notification of police or protection or examination of the property that was subject to the "loss".

WAIVER OF SUBROGATION

SECTION IV, A.5. - Transfer Of Rights Of Recovery Against Others To Us is deleted in its entirety and replaced with the following:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" resulting from the ownership, maintenance or use of a covered "auto" but only when you have assumed liability for such "bodily injury" or "property damage" in an "insured contract". In all other circumstances, if a person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us.

MULTIPLE DEDUCTIBLES

The following is added to **SECTION IV, A. - Loss Conditions:**

If a "loss" from one event involves two or more covered "autos" and coverage under Comprehensive or Specified Causes of Loss applies, only the highest applicable deductible will be applied.

CONCEALMENT, MISREPRESENTATION OR FRAUD

The following is added to **SECTION IV, B.2. - Concealment, Misrepresentation Or Fraud:**

If you should unintentionally fail to disclose any existing hazards in your representations to us prior to the inception date of the policy or during the policy period in connection with any newly discovered hazards, we will not deny coverage under this Coverage Form based upon such failure.

POLICY PERIOD, COVERAGE TERRITORY

SECTION IV, B.7. - Policy Period, Coverage Territory is deleted in its entirety and replaced with the following:

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the "Coverage Territory".

We also cover "loss" to or "accidents" involving a covered "auto" while being transported between any of these places.

TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US - DEDUCTIBLES

The following is added to **SECTION IV, B.8. - Two Or More Coverage Forms Or Policies Issued By Us:**

If a "loss" covered under this Coverage Form also involves a "loss" to other property resulting from the same "accident" that is covered under this policy or another policy issued by us or any member company of ours, only the highest applicable deductible will be applied.

AMENDMENTS TO SECTION V — DEFINITIONS

BODILY INJURY INCLUDING MENTAL ANGUISH (Not Applicable in New York)

The definition of bodily injury is deleted in its entirety and replaced by the following:

"Bodily injury" means bodily injury, sickness, or disease sustained by a person, including death resulting from any of these. "Bodily injury" includes mental anguish resulting from bodily injury, sickness or disease sustained by a person.

ADDITIONS TO SECTION V - DEFINITIONS

COVERAGE TERRITORY

"Coverage Territory" means:

1. The United States of America (including its territories and possessions), Canada and Puerto Rico; and
2. Anywhere in the world, except for any country or jurisdiction that is subject to trade or other economic sanction or embargo by the United States of America, if a covered "auto" is leased, hired, rented, or borrowed without a driver for a period of 30 days or less, and the insured's responsibility to pay "damages" is determined in a "suit" on the merits in and under the substantive law of the United States of America (including its territories and possessions), Puerto Rico, or Canada, or in a settlement we agree to. If we are prevented by law, or otherwise, from defending the "insured" in a "suit" brought in a location described in Paragraph 2. above, the insured will conduct a defense of that "suit". We will reimburse the "insured" for the reasonable and necessary expenses incurred for the defense of any such "suit" seeking damages to which this insurance applies, and that we would have paid had we been able to exercise our right and duty to defend.

GASOLINE POWERED AUTO

An "auto" that is designed to be solely powered by petroleum-based fuel.

GREEN AUTO

An "auto" that is designed to be powered by both petroleum-based fuel and electric power; or solely by electricity or any other renewable energy source.

LIGHT TRUCK

"Light Truck" means a truck with a gross vehicle weight rating of 10,000 pounds or less.

SOCIAL SERVICE VAN OR BUS

"Social Service Van or Bus" means a van or bus used by a government entity, civic, charitable or social service organization to provide transportation to clients incidental to the social services sponsored by the organization, including special trips and outings.

TELEMATIC DEVICE

"Telematic Device" includes devices designed for the collection and dissemination of data for the purpose of monitoring vehicle and/or driver performance. This includes Global Positioning System technology, wireless safety communications and automatic driving assistance systems, all integrated with computers and mobile communications technology in automotive navigation systems.

VOLUNTEER WORKER

"Volunteer worker" means a person who is not your "employee" and who donates their work and acts at the direction of you and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

ElitePac®

Commercial Automobile Extension

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CA 78 16 04 24

SCHEDULE OF COVERAGE EXTENSIONS AND LIMITS OF INSURANCE

This ElitePac Schedule is a summary of additional coverages, coverage modifications and corresponding Limits of Insurance that supplements the Business Auto Coverage Form. No coverage is provided by this summary. Refer to the actual endorsement for changes affecting your insurance protection.

DESCRIPTION	
AMENDMENT TO SECTION I — COVERED AUTOS COVERAGES AND SECTION II — COVERED AUTOS LIABILITY COVERAGE	
Employee Owned Autos - Business Use	Coverage Extension
AMENDMENTS TO SECTION II — LIABILITY COVERAGE	
Newly Acquired Or Formed Organizations	Coverage Extension
Expenses For Bail Bonds And Loss Of Earnings	
Bail Bonds	\$3,000 Per "Accident"
Loss Of Earnings	\$1,000 Per Day
Employee Indemnification and Employer's Liability Amendment	Coverage Extension
Fellow Employee Coverage	Coverage Extension
Care, Custody Or Control Amendment	\$1,000 Per Accident \$500 Deductible Per "Accident"
Limited Liability Companies	Coverage Extension
Blanket Additional Insureds	Coverage Extension
Employees As Insureds	Coverage Extension
AMENDMENTS TO SECTION III — PHYSICAL DAMAGE COVERAGE	
Towing And Labor	Coverage Extension
Private Passenger Auto, Social Service Van or Bus, Light Truck Commercial Auto With GVWR or GCW Greater Than 10,000 Pounds	\$75 Per Tow \$150 Per Tow
Glass Breakage Deductible	Coverage Extension
Additional Transportation Expenses	\$60 per day up to a maximum of \$1,800
Hired Auto Physical Damage Coverage	\$75,000 per "loss"
Hired Auto Loss of Use Coverage	\$750 Per "Accident"
Auto Loan/Lease Gap Coverage (Not Available in New York)	Coverage Extension

DESCRIPTION	
AMENDMENTS TO SECTION III — PHYSICAL DAMAGE COVERAGE - Continued	
Personal Effects	\$500 Per "Accident"
Airbag Coverage	Coverage Extension
Expanded Audio, Visual, And Data Electronic Equipment Coverage	Coverage Extension
Comprehensive Deductible - Location Tracking Device	Coverage Extension
Physical Damage Limit Of Insurance	Coverage Extension
Green Automobile Replacement Coverage	Coverage Extension
AMENDMENTS TO SECTION IV — BUSINESS AUTO CONDITIONS	
Duties In The Event Of Accident, Claim, Suit Or Loss	Coverage Extension
Waiver of Subrogation	Coverage Extension
Multiple Deductibles	Coverage Extension
Concealment, Misrepresentation Or Fraud	Coverage Extension
Policy Period, Coverage Territory	Coverage Extension
Two Or More Coverage Forms Or Policies Issued By Us - Deductibles	Coverage Extension
AMENDMENTS TO SECTION V — DEFINITIONS	
Bodily Injury Including Mental Anguish (Not Applicable in New York)	Broadened Definition
Coverage Territory	Broadened Definition

RACING EXCLUSION

COMMERCIAL AUTO
CA 89 27 04 24

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. COVERED AUTOS LIABILITY COVERAGE

SECTION II — COVERED AUTOS LIABILITY COVERAGE, B. Exclusions, 13. Racing in the Business Auto Coverage Form and **SECTION I - COVERED AUTOS COVERAGES, D. Covered Autos Liability Coverage, 4. Exclusions, i. Racing** in the Auto Dealers Coverage Form are deleted and replaced with the following:

Covered "autos" while used in any racing or demolition contest, stunting activity, driver skill racing training, racing school, race driving experience or racing adventure program or while practicing for such contest or activity. We will also not pay for "loss", while that covered "auto" is being prepared for such a contest or activity.

B. PHYSICAL DAMAGE COVERAGE

1. SECTION III — PHYSICAL DAMAGE COVERAGE, B.2. Exclusions in the Business Auto Coverage Form is deleted and replaced with the following:

We will not pay for "loss" to any covered "auto" while used in any racing or demolition contest, stunting activity, driver skill racing training, racing school, race driving experience or racing adventure program or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

2. SECTION I — COVERED AUTOS COVERAGES, F. Physical Damage Coverage, 3.b.(2) Exclusions in the Auto Dealers Coverage Form is deleted and replaced with the following:

Any covered "auto" while used in any racing or demolition contest, stunting activity, driver skill racing training, racing school, race driving experience or racing adventure program or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

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VEHICLE SHARING EXCLUSION

COMMERCIAL AUTO
CA 89 30 10 25

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
AUTO DEALERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. COVERED AUTOS LIABILITY COVERAGE

The following exclusion is added to **SECTION II - COVERED AUTOS LIABILITY COVERAGE, B. Exclusions** in the Business Auto Coverage Form and **SECTION I - COVERED AUTOS COVERAGES, D. Covered Autos Liability Coverage, 4. Exclusions** in the Auto Dealers Coverage Form:

Vehicle Sharing

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use of a covered "auto" while it is being used in connection with a "vehicle sharing program".

B. PHYSICAL DAMAGE COVERAGE

The following is added to **SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions** in the Business Auto Coverage form and **SECTION I - COVERED AUTOS COVERAGES, F. Physical Damage Coverage, 3. Exclusions**:

Vehicle Sharing

We will not pay for "loss" to a covered "auto" while it is being used in connection with a "vehicle sharing program".

C. MEDICAL PAYMENTS COVERAGE

If Auto Medical Payments Coverage is provided in this policy, the following exclusion is added:

This insurance does not apply to "bodily injury" sustained by an "insured" while "occupying" or when struck by, a covered "auto" while it is being used in connection with a "vehicle sharing program".

D. UNINSURED AND / OR UNDERINSURED MOTORISTS COVERAGE

If Uninsured and/or Underinsured Motorists Coverage is provided in this policy, then the following exclusion is added:

This coverage does not apply to "bodily injury" sustained by any "insured" while "occupying" or when struck by a covered "auto" while it is being used in connection with a "vehicle sharing program".

E. PERSONAL INJURY PROTECTION COVERAGE

If a Personal Injury Protection or Additional Personal Injury Protection Endorsement is part of this policy, then the following exclusion is added:

This coverage does not apply to personal injury sustained by any person or "insured" while "occupying" or when struck by a covered "auto" while it is being used in connection with a "vehicle sharing program".

F. DEFINITIONS

The following Definitions are added:

"Vehicle sharing program" means any system, program, platform, application, or process that facilitates the sharing of an "auto" for use by individuals, businesses, or other entities. This does not include the use of a covered "auto" while used in your business by you, your "employee", or your "volunteer worker".

"Volunteer worker" means a person who is not your "employee" and who donates their work and acts at the direction of you and within the scope of duties determined by you, and is not paid a fee, salary, or other compensation by you or anyone else for their work performed for you.

AUTO MEDICAL PAYMENTS COVERAGE

COMMERCIAL AUTO
CA 99 03 10 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM
BUSINESS AUTO COVERAGE FORM
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. Coverage

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident". We will pay only those expenses incurred, for services rendered within three years from the date of the "accident".

B. Who Is An Insured

1. You while "occupying" or, while a pedestrian, when struck by any "auto".
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto".
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

C. Exclusions

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member".

4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.
5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
 - a. War, including undeclared or civil war;
 - b. 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
 - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

D. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

E. Changes In Conditions

The **Conditions** are changed for **Auto Medical Payments Coverage** as follows:

1. The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply.

2. The reference in **Other Insurance** in the Auto Dealers and Business Auto Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Motor Carrier Coverage Form to "other collectible insurance" applies only to other collectible auto medical payments insurance.

F. Additional Definitions

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

Previous Policy Number

NEW

Policy Number

S 2743815

COMMERCIAL INLAND MARINE DECLARATIONS

Policy Effective Date: July 1, 2026		Coverage Effective Date: JULY 1, 2026	
Insurance is provided only for those coverages shown in the following coverage schedule.			
Coverage Schedule			
Coverage		Premium	
CONTRACTORS' EQUIPMENT		\$4,562.00	
INLAND MARINE PAC PREMIER		\$850.00	
Forms and Endorsements: Refer to "Commercial Policy Forms and Endorsement Schedule"		Premium Amount \$5,520.00 (This premium may be) (subject to adjustment.)	

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Previous Policy Number
NEW

Policy Number
S 2743815

COMMERCIAL INLAND MARINE COVERAGE SUPPLEMENTAL DECLARATIONS CONTRACTORS EQUIPMENT COVERAGE

Policy Effective Date: July 1, 2026

Coverage Effective Date: JULY 1, 2026

Insurance is provided only for those coverages for which a specific limit is shown in the following coverage schedule.

SCHEDULE

SCHEDULE OF EQUIPMENT

<u>Item No.</u>	<u>Description of Equipment (including Serial No.)</u>	<u>Limit of Insurance</u>
3	SANY 225C EXCAVATOR	\$225,000
4	BOBCAT T770 TRACK LOADER	\$60,000
5	GEHL 56' TELEHANDLER LIFT	\$60,000
6	SINOBOOM 1932GTJ20608M AERIAL WORK PLATFORM	\$15,000
7	SINOBOOM 1932MGTJ20608M AERIAL WORK PLATFORM	\$15,000
8	STONEX TOTAL STATION WITH RUGGED TABLET	\$27,050
9	2022 KUBOTA SVL97-2HFC SKID STEER	\$95,000
10	2024 BOBCAT SWB84 SWEEPER BUCKET	\$7,900
11	2025 TOYOTA PFG25 FORKLIFT TAILLIFT	\$32,250
12	2025 SANY STH1256A TELEHANDLER LIFT	\$164,650
TOTAL		\$701,850
ALL COVERED PROPERTY AT ALL LOCATIONS		\$701,850

DEDUCTIBLE

The Deductible amount is \$500. unless otherwise stated \$1,000

RATES & PREMIUM

Premium for this Coverage Form \$4,562.00

Annual Rate for this Coverage Form \$0.650

SPECIAL PROVISIONS (If Any)

COMMERCIAL INLAND MARINE CONDITIONS

COMMERCIAL INLAND MARINE

CM 00 01 09 04

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

LOSS CONDITIONS

A. Abandonment

There can be no abandonment of any property to us.

B. Appraisal

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

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

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

C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.

4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

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

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

7. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

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D. Insurance Under Two Or More Coverages

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

E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.
3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of the loss; or
 - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

F. Other Insurance

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

G. Pair, Sets Or Parts

1. Pair Or Set

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

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

2. Parts

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

H. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

I. Reinstatement Of Limit After Loss

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

J. Transfer Of Rights Of Recovery Against Others To Us

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

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - a. Someone insured by this insurance; or

- b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you.

This will not restrict your insurance.

GENERAL CONDITIONS

A. Concealment, Misrepresentation Or Fraud

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

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

B. Control Of Property

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

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

C. Legal Action Against Us

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

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

D. No Benefit To Bailee

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

E. Policy Period, Coverage Territory

We cover loss or damage commencing:

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

F. Valuation

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

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

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

NORTH CAROLINA CHANGES

COMMERCIAL INLAND MARINE
CM 01 03 06 23

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

A. Warranties

Wherever the words "warrants", "warranties", "warranted", or "warranty" appear in this Coverage Part, you and we agree that they are representations.

B. Protective Safeguards

The **Protective Safeguards** Additional Condition is replaced by the following:

You must maintain the protective safeguards stated by you to be in effect at a location when this coverage began.

You must notify us immediately when you fail to keep the protective safeguards:

1. In working condition at a location; and
2. In operation when you are closed to business.

C. General Condition C. Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:

C. Legal Action Against Us

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

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within three years after you first have knowledge of the direct loss or damage.

D. The following condition is added:

Time Period For Performance Of Contractual Obligations

Whenever a state of disaster is proclaimed for the state of North Carolina or for an area within this state in accordance with state law, or whenever a major disaster is declared for North Carolina or an area within this state by the President of the United States under the Stafford Act or its successors, the following provisions apply:

1. If the Covered Property that has sustained loss or damage is located within the designated area in the disaster declaration or proclamation, the time period for your submission of a proof of loss (as set forth in the Duties In The Event Of Loss Condition or in an endorsement attached to this Coverage Part) shall be extended by a time period not exceeding the earlier of:
 - a. The expiration of the disaster proclamation or declaration and all renewals of the proclamation; or
 - b. The expiration of the Insurance Commissioner's order declaring action for the specific disaster.

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2. Except as otherwise provided in Paragraphs 1. and 4., the following applies if you or we reside in or are located in the designated area in the disaster declaration or proclamation:

If this Coverage Part or an endorsement attached to this Coverage Part imposes a time limitation on you or us for a performance of:

- a. A premium or debt payment; or
- b. Any other duty or any act (including transmittal of information and communications),

under the terms of this Coverage Part and such performance would be required during the time period prior to the expiration of the Insurance Commissioner's order declaring action for the specific disaster, your performance and our performance is subject to a deferral period of 30 days. The Commissioner of Insurance may extend such deferral period.

3. In addition to Paragraphs 1. and 2. above, if you have been displaced from your residence:

- a. Any written notice of cancellation for nonpayment of premium scheduled to be effective after the deferral period has commenced is deferred. Following the expiration of the deferral period, we may cancel for nonpayment of premium subject to the notice requirements in the Cancellation Condition of this Coverage Part.
- b. Any written notice of nonrenewal scheduled to be effective after the deferral period has commenced is deferred. Following the expiration of the deferral period, we may elect not to renew this policy subject to the notice requirements in the Nonrenewal Condition of this Coverage Part.

4. If the proclamation or declaration is the result of a public health emergency as determined by the Secretary of the U.S. Department of Health and Human Services, or other situations where the Governor has, by executive order, ordered all individuals in North Carolina to stay at home or at their place of residence, the following provisions shall apply:

- a. If you reside within the designated area in the proclamation or declaration, you have the option to defer premium payments that are due during the time period covered by the Commissioner's order declaring the specific public health emergency or situation that may require the citizens of North Carolina to shelter in place. The deferral period shall be 30 days from the last day the premium payment may be made under the terms of the policy. The Commissioner of Insurance may extend such deferral period.
- b. Any written notice of cancellation for nonpayment of premium scheduled to be effective after the deferral period has commenced is deferred. Following the expiration of the deferral period, we may cancel for nonpayment of premium subject to the notice requirements in the Cancellation Condition of this Coverage Part.

CONTRACTORS EQUIPMENT COVERAGE FORM

COMMERCIAL INLAND MARINE
CM 70 97 07 26

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

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

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION F — DEFINITIONS**.

If a "loss" covered under this Coverage Form also involves a "loss" covered under any other Coverage Form that is made a part of this policy, then the broadest coverage will apply. If Covered Property is specifically scheduled or described under another Coverage Form, the valuation provisions of that more specific Coverage Form will apply.

A. COVERAGE

We will pay for "loss" to Covered Property from any of the Covered Causes of Loss.

1. COVERED PROPERTY, as used in this Coverage Form, means:

- a. Your contractors equipment; and
- b. Contractors equipment of others in your care, custody or control;

that are scheduled in the Declarations.

2. PROPERTY NOT COVERED

Covered Property does not include:

- a. Automobiles, motor trucks, motorcycles, trailers, semi-trailers or any other vehicles designed and principally used for highway transportation unless unlicensed and not operated on public roads;
- b. Aircraft or watercraft;
- c. Property while waterborne, except while in transit by carriers for hire;
- d. Property while stored or operated underground in connection with any mining or drilling operations except as provided under the Drillers Underground Equipment Coverage Extension; or
- e. Contraband or property in the course of illegal transportation or trade.

3. COVERED CAUSES OF LOSS

Covered Causes of Loss means RISKS OF DIRECT PHYSICAL "LOSS" to Covered Property except those causes of loss listed in the Exclusions.

4. COVERAGE EXTENSIONS

Unless otherwise stated in the Coverage Form or in a specific Coverage Extension, the following Coverage Extensions:

- i. Are in addition to the Section **C. LIMITS OF INSURANCE**;
- ii. Apply on a per occurrence basis; and
- iii. Are subject to the provisions of Section **D. DEDUCTIBLE**.

a. Newly Acquired Property

If during the policy period you acquire additional property of a type covered by this form, we will cover such property for up to 90 days, but not beyond the end of the policy period. The most we will pay under this Coverage Extension is the lesser of:

- (1) 25% of the total Limit of Insurance shown in the Declarations; or
- (2) \$250,000.

If you do not report your acquisition of such property within 90 days from the date acquired and pay any additional premium due, coverage will cease automatically 90 days after the acquisition date or at the end of the policy period, whichever occurs first.

b. Debris Removal

We will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. Your expenses will be paid only if you report them to us in writing within 180 days of the date of the earlier of:

- (1) The date of direct physical "loss"; or
- (2) The end of the policy period.

The most we will pay under this Coverage Extension is 25% of the amount we pay for direct "loss" to the Covered Property. Any payment will not increase the applicable Limits of Insurance. But, if the debris removal expense exceeds the amount calculated above, or if the sum of our payments for direct "loss" and debris removal exceeds the applicable Limit of Insurance, we will pay up to an additional \$50,000 in any one occurrence.

This Coverage Extension does not apply to costs to:

- (1) Extract "pollutants" from land or water; or
- (2) Remove, restore or replace polluted land or water.

c. Pollutant Clean Up and Removal

We will pay your expenses to extract "pollutants" from land or water if the release, discharge or dispersal of the "pollutants" resulting from a "loss" to Covered Property is caused by a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- (1) The date of direct physical "loss"; or
- (2) The end of the policy period.

The most we will pay under this Coverage Extension is \$25,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.

d. "Loss" to "Substitute Contractors Equipment"

We will pay for "loss" to "substitute contractors equipment" caused by or resulting from a Covered Cause of Loss. Coverage will start when you assume liability for "substitute contractors equipment", and will end the earlier of the following dates:

- (1) When your "substitute contractors equipment" is no longer in your care, custody or control; or
- (2) The policy expiration date.

Subject to the limitations set forth in Subparagraphs (1) and (2) above, we will also pay for such "loss" if it occurs while "substitute contractors equipment" is in transit to or from the owner if you are liable for the item at the time of "loss".

The most we will pay under this Coverage Extension is \$25,000.

e. Theft Rewards

(This provision does not apply in New York)

We will pay for rewards given to any person or persons, other than you, your officers, your partners or your employees for information leading to a conviction in connection with an actual theft "loss" to Covered Property.

The most we will pay under this Coverage Extension is \$10,000 per theft "loss". This is the most we will pay regardless of the number of persons who provided information. No deductible will apply to this Coverage Extension.

f. Vandalism Rewards

(This provision does not apply in New York)

We will pay for rewards given to any person or persons, other than you, your officers, your partners or your employees for information leading to a conviction in connection with a vandalism "loss" to Covered Property.

The most we will pay under this Coverage Extension is \$10,000 per vandalism "loss". This is the most we will pay regardless of the number of persons who provided information. No deductible will apply to this Coverage Extension.

g. Expediting Expense

We will pay the reasonable and necessary extra cost incurred by you to make temporary repairs and to expedite the permanent repair or replacement of Covered Property in connection with a "loss" to Covered Property from a Covered Cause of Loss. Such incurred expenses may include but are not limited to costs to obtain replacement parts or materials on an expedited basis, additional labor expense and the extra cost of express freight or other rapid means of transportation.

This Coverage Extension will not pay for extra costs recoverable elsewhere in the policy or for permanent repair or replacement of Covered Property.

The most we will pay under this Coverage Extension is \$25,000.

h. Fire Department Service Charge Expense

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$10,000 for your liability for fire department service charges:

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

No deductible applies to this Coverage Extension.

i. Fire Extinguisher Recharge Expense

We will pay for the cost to recharge or refill any fire extinguishing equipment when discharged:

- (1) In response to a Covered Cause of Loss;
- (2) As a result of the intended operation of such equipment to prevent or control a Covered Cause of Loss;
- (3) Accidentally; or
- (4) Resulting from a malfunction of the fire extinguishing equipment.

We will not pay for cost to recharge or refill fire extinguishing equipment:

- (1) If you fail to use reasonable care to maintain the fire extinguishing equipment in proper operating condition; or
- (2) If the discharge occurs while servicing, refilling or testing the fire extinguishing equipment.

The most we will pay under this Coverage Extension is \$10,000.

No deductible applies to this Coverage Extension.

j. Spare Parts And Fuel

We will cover direct physical "loss" to the property identified in Subparagraphs (1) and (2) below caused by a Covered Cause of Loss:

- (1) Spare parts and accessories for Covered Property; and
- (2) Fluids for vehicles and Covered Property. Fluids include but are not limited to fuel, oil, grease and hydraulic fluid.

The most we will pay under this Coverage Extension is \$10,000.

k. Transportation Of Contractors Equipment Of Others

We will cover your legal liability for "loss" caused by a Covered Cause of Loss to contractor's equipment of others while in your care, custody and control for the purpose of transportation to a designated site.

The most we will pay under this Coverage Extension for any one item is the lesser of the following:

- (1) The amount for which you are legally liable;
- (2) The actual cash value of the contractors equipment;
- (3) The cost of repairing or replacing the contractors equipment with equipment of a similar kind and quality; or
- (4) \$50,000.

m. Drillers Underground Equipment

We will pay for "loss" to "drilling equipment" including your expenses to recover "drilling equipment" when located underground at a job site.

The most we will pay under this Coverage Extension is the lesser of the following:

- (1) The value of the "drilling equipment";
- (2) The cost of repair or recovery; or
- (3) \$25,000.

B. EXCLUSIONS

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

a. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

But we will pay for loss caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire caused by a Covered Cause of Loss to prevent its spread.

b. NUCLEAR HAZARD

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct "loss" caused by a resulting fire caused by a covered Cause of Loss.

c. WAR AND MILITARY ACTION

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

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

a. Dishonest acts by:

- (1) You, your employees or authorized representatives;
- (2) Anyone else with an interest in the property, or their employees or authorized representatives; or
- (3) Anyone else to whom the property is entrusted.

This exclusion applies whether or not such persons are acting alone or in collusion with other persons and without regard to whether such acts occur during the hours of employment.

This exclusion does not apply to Covered Property in the custody of a carrier for hire.

b. Missing property where the only proof of loss is unexplained or mysterious disappearance of Covered Property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the Covered Property.

This exclusion does not apply to Covered Property in the custody of a carrier for hire.

c. Discharge, dispersal, seepage, migration, release or escape of "pollutants":

- (1) Unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "Specified Causes of Loss"; or
- (2) Except as provided for in the Pollutant Clean Up and Removal Coverage Extension.

But if "loss" by any of the "Specified Causes of Loss" results from the discharge, dispersal, seepage, migration, release or escape of "pollutants", we will pay for the resulting "loss" caused by the "Specified Causes of Loss".

d. Processing or work upon the Covered Property.

But we will pay for direct "loss" to Covered Property caused by resulting fire or explosion, if these causes of loss would be covered under this Coverage Form.

e. Artificially generated current creating a short circuit or other electric disturbance within an item covered under this Coverage Form.

But we will pay for direct "loss" to Covered Property caused by resulting fire or explosion, if these causes of loss would be covered under this Coverage Form.

This exclusion only applies to "loss" to that item in which the disturbance occurs.

f. Weight of a load which under the operating conditions at the time of "loss" exceeds the registered lifting capacity of the equipment..

g. Delay, loss of use, loss of market or any other cause of consequential "loss".

h. Voluntary parting with any Covered Property whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.

3. We will not pay for a "loss" caused by or resulting from any of the following. But if "loss" caused by a Covered Cause of Loss results, we will pay for that resulting "loss":

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the "loss."

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property wherever located.

- d. Wear and tear, any quality in the property that causes it to damage or destroy itself, hidden or latent defect, gradual deterioration, mechanical breakdown, corrosion, rust, dampness, cold or heat.

C. LIMITS OF INSURANCE

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

D. DEDUCTIBLE

1. We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.
2. If a "loss" covered under this Coverage Form also involves a "loss" under any other Coverage Form issued by us or any company affiliated with us, the most we will deduct from the payment for "loss" to Covered Property is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).
3. Waiver of Theft Deductible For Covered Property
 - a. If there is a theft "loss" to Covered Property, we will waive the deductible if:
 - (1) The Covered Property is equipped with an operational GPS tracking device or a similar tracking device; or
 - (2) You have "properly registered" the stolen Covered Property with the National Equipment Register prior to the theft "loss" to the Covered Property.
 - (3) In addition to Paragraph (1) or (2) above, you must:
 - (a) Report the theft "loss" of the Covered Property to the local law enforcement agency having jurisdiction as soon as you become aware of the theft; and
 - (b) Report the "loss" to us in accordance with the terms and conditions of this policy.

E. ADDITIONAL CONDITIONS

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

1. VALUATION

- a. The following is added to the VALUATION General Condition in the Commercial Inland Marine Conditions for Covered Property:

(1) In the event of "loss" to Covered Property owned by you and purchased new within a five year period prior to the "loss", we will determine the value of the Covered Property at Replacement Cost (without deduction for depreciation).

(a) We will not pay more for "loss" on a Replacement Cost basis than the lesser of:

- i. The limit of insurance for any one item;
- ii. The cost to replace the Covered Property with other Covered Property of similar quality and capability and used for the same purpose; or
- iii. The amount you actually spend that is necessary to repair or replace the Covered Property.

(b) We will pay on an Actual Cash Value basis until the lost or damaged Covered Property is actually repaired or replaced.

(c) If the Covered Property is not repaired or replaced within 180 days of the date of "loss", valuation will remain on an Actual Cash Value basis.

(2) In the event of a "loss" to Covered Property leased or rented from others, if the written lease or rental agreement requires that you insure the Covered Property on a Replacement Cost basis, we will determine the value of the Covered Property at Replacement Cost subject to Paragraphs a.(1)(a) through a.(1)(c) above.

2. COVERAGE TERRITORY

We cover property wherever located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

3. COINSURANCE

All Covered Property must be insured for at least 80% of its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" to an item that the Limit of Insurance shown in the Declarations for the item bears to 80% of its total value as of the time of "loss".

Coinsurance does not apply to Covered Property that you lease, rent or borrow from others.

4. RECORDS

You must keep accurate records of your business and retain them for three years after the policy ends.

5. LOSS PAYABLE

For Covered Property in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will:

- a. Adjust "losses" with you; and
- b. Pay any claim for "loss" jointly to you and the Loss Payee, as interests may appear.

F. DEFINITIONS

1. "Drilling Equipment" means drill bits, stems, adapters, hammers, fittings, measuring devices, pumps and similar drilling parts or accessories normal to drilling operations.
2. "Loss" means accidental loss or damage that occurs during the policy period.
3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
4. "Properly registered" means providing National Equipment Register (NER) with the specific manufacturer, model number, serial number and year manufactured either through your online entry of this information in the NER web site or sending this information on an electronic spreadsheet directly to NER.

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

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.

- b. Falling objects does not include loss or damage to:

- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

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

6. "Substitute Contractors Equipment" means substitute equipment similar to the contractors equipment used in your business operations that you must rent due to "loss" to your contractors equipment caused by or resulting from a Covered Cause of Loss. "Substitute Contractors Equipment" are only those items which are:

- a. Necessary to continue your normal business operations; and
- b. Needed because you do not have other contractors equipment available for similar use.

INLAND MARINE PREMIER PAC

COMMERCIAL INLAND MARINE
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Various provisions in this Coverage Form restrict coverage. Read the entire Coverage Form carefully to determine rights, duties and what is and is not covered.

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

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

If we or any of our affiliates issue other insurance to you and more than one limit of insurance applies to loss or damage sustained by you, the following limitations will apply:

1. Your recovery under all such insurance will not exceed the actual amount of loss or damage sustained; and
2. When other applicable insurance is issued to you by us or any of our affiliates, the insurance provided by this Coverage Form will follow the terms, conditions, limitations and exclusions of the other applicable insurance and, if the other applicable insurance is:
 - a. Commercial Inland Marine insurance, the insurance provided by this Coverage Form is excess over such insurance except as to premium, limits and notice;
 - b. Commercial Property insurance, the insurance provided by this Coverage Form is primary to such insurance.

A. COVERAGE

We will pay for direct physical loss or damage to Covered Property from any of the Covered Causes of Loss.

1. COVERED PROPERTY, as used in this Coverage Form, includes:

- a. Contractor's Equipment which includes your mobile machinery and equipment normally used in your golf course maintenance operations, contracting, servicing, installation, erection, fabrication, repair or moving operations or projects and similar mobile machinery and equipment of others in your care, custody or control while:

- (1) At a premises owned, leased or operated by the insured;
- (2) At the "job site";
- (3) At any "temporary storage location"; or
- (4) In transit.

- b. Electronic information systems which includes "electronic information systems equipment" and "data" while:

- (1) At premises you own
- (2) At any unnamed premises; and
- (3) In transit.

- c. Installation Property which includes all materials, supplies, fixtures, machinery and equipment of any nature whatsoever intended for installation including installation property

owned by others for which you are responsible while:

- (1) At the "job site";
- (2) At any "temporary storage location"; or
- (3) In transit.

- d. Miscellaneous Tools and Equipment normally used in your operations which includes:

- (1) Tools and equipment you own;
- (2) Tools and equipment of others, including tools, in your care, custody or control; and
- (3) Tools, equipment, and personal effects of employees.

2. PROPERTY NOT COVERED

Covered Property does not include:

- a. Automobiles, motor trucks, motorcycles, trailers, semi-trailers or any other vehicles designed and principally used for highway transportation unless unlicensed and not operated on public roads;
- b. Aircraft, unmanned aircraft or watercraft;
- c. Accounts, bills, currency, deeds, "money", notes, "securities" and evidences of debt except as provided under the Accounts Receivable Coverage Extension;

- d. Property while waterborne, except while in transit by carriers for hire;
- e. Contractor's equipment while underground;
- f. Electronic information systems rented, leased or sold to others;
- g. Program support documentation, flowcharts, record formats, or narrative descriptions, unless this property has been converted to "media" form;
- h. Buildings or structures at the "job site";
- i. Land (including land on which the property is located) or water;
- j. Contraband or property in the course of illegal transportation or trade;
- k. Real property;
- l. Property after it is sold and delivered or otherwise disposed of, including property sold under a deferred payment sales agreement.
- m. Trees, shrubs, lawns or plants except to the extent coverage is provided under the Trees, Shrubs, Lawns or Plants Coverage Extension.

3. COVERED CAUSES OF LOSS

Covered Causes of Loss means direct physical loss or damage to Covered Property except those causes of loss listed in Section B. EXCLUSIONS.

4. COVERAGE EXTENSIONS

Unless otherwise stated in the Coverage Form or in a specific Coverage Extension, the following Coverage Extensions:

- (1) Are in addition to the Section C. LIMITS OF INSURANCE;
- (2) Apply on a per occurrence basis; and
- (3) Are subject to the provisions of Section D. DEDUCTIBLE.

a. Rewards

(This provision does not apply in New York)

We will pay for rewards given to any person or persons, other than you, your officers, your partners or your employees, or the family members of any such individuals for information leading to a conviction in connection to loss or damage to Covered Property from a Covered Cause of Loss.

The most we will pay under this Coverage Extension is \$1,000 for all concurrent theft or vandalism loss or damage. This is the most we will pay regardless of the number of persons who provided information.

No Deductible applies to this Coverage Extension.

b. Trees, Shrubs, Lawns or Plants

We will pay for direct physical loss or damage to trees, shrubs, lawns or plants, including removal, caused by or resulting from fire, lightning, explosion, riot, civil commotion, aircraft, vandalism, theft, vehicles or sinkhole collapse.

The most we will pay under this Coverage Extension is \$2,500 but not more than \$500 for any one tree, shrub or plant.

c. Pollutant Clean Up And Removal

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

- (1) The date of direct physical loss or damage; or
- (2) The end of the policy period.

The most we will pay under this Coverage Extension is \$10,000 for any one policy period.

d. Rental Reimbursement For Contractor's Equipment

We will pay for necessary expenses you incur for rental of "substitute contractor's equipment".

The most we will pay under this Coverage Extension is \$7,500 of your rental expenses. You will be responsible for the expenses incurred during the first 72 hours for rental of "substitute contractor's equipment". The coverage will end when one of the following first occurs:

- (1) The contractor's equipment is replaced;
- (2) The contractor's equipment is restored to service; or
- (3) The need for the "substitute contractor's equipment" no longer exists.

You must take all reasonable steps to repair or replace the contractor's equipment and resume your normal business operations or work in progress as quickly as possible.

e. Valuable Papers And Records

When loss or damage to your "valuable papers and records" occurs at a "job site" and is caused by or results from a Covered Cause of Loss, we will pay up to \$7,500 to reproduce, replace, or restore any such papers and records not covered by other insurance.

f. Accounts Receivable

We will pay:

- (1) All amounts due from your customers that you are unable to collect;
- (2) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- (3) Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- (4) Other reasonable expenses that you incur to re-establish your records of accounts receivable,

that result from Covered Causes of Loss to your records of accounts receivable.

The most we will pay under this Coverage Extension in any one occurrence is \$7,500.

g. Lock Replacement Cost

We will pay for the cost to replace locks necessitated by the theft of keys from your "job site" or premises owned, leased or occupied by you.

The most we will pay under this Coverage Extension in any one occurrence is \$7,500.

This coverage is subject to a \$50 deductible.

h. Emergency Removal

We will pay for direct physical loss or damage to Covered Property that has been moved because of the imminent danger of loss to the property while it is:

- (1) At a safe place away from your premises; or
- (2) Being taken to and returned from that place.

This Coverage Extension:

- (1) Is included within the Section **C. LIMITS OF INSURANCE**; and
- (2) Applies for up to 365 days after the Covered Property is first moved, but not beyond the expiration date of the policy.

We will also pay up to \$7,500 of the expense to move or store Covered Property to prevent loss or damage from a Covered Cause of Loss. This is in addition to the Section **C. LIMITS OF INSURANCE**.

i. Debris Removal

- (1) We will pay your expenses to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

- (2) The most we will pay under this Coverage Extension is 25% of:

- (a) The amount we pay for the direct physical loss or damage to Covered Property; plus

- (b) The deductible in this Policy applicable to that loss or damage.

- (3) Payment under this Coverage Extension will not increase the Limit Of Insurance stated in the Declarations as applicable to the Covered Property, but if:

- (a) The sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance; or

- (b) The debris removal expense exceeds the amount payable under the 25% limitation;

we will pay up to an additional \$10,000 in any one occurrence.

- (4) This Coverage Extension does not apply to costs to:

- (a) Extract "pollutants" from land or water; or

- (b) Remove, restore or replace polluted land or water.

j. Expediting Expense

With respect to loss or damage to Covered Property from a Covered Cause of Loss, we will pay for the extra cost you necessarily incur to:

- (1) Make temporary repairs; and
- (2) Expedite the permanent repairs or replacement of the damaged property.

The most we will pay under this Coverage Extension is \$7,500 per occurrence.

k. Spare Parts and Fuel

We will pay for loss or damage to the following property caused by a Covered Cause Of Loss:

- (1) Spare parts and accessories for Covered Property; and
- (2) Fluids for Covered Property. Fluids include but are not limited to fuel, oil, grease and hydraulic fluid.

The most we will pay under this Coverage Extension is \$5,000.

B. EXCLUSIONS

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

a. GOVERNMENTAL ACTION

Seizure or destruction of property by order of governmental authority.

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

b. NUCLEAR HAZARD

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

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

c. WAR AND MILITARY ACTION

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

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

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

- a.** Dishonest or criminal acts committed by:

- (1) You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;
- (2) A manager or a member if you are a limited liability company;
- (3) Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives; or
- (4) Anyone else to whom the property is entrusted for any purpose.

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

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to Covered Property:

- (1) That is entrusted to others who are carriers for hire; or
- (2) To acts of destruction by your employees (including temporary employees and leased workers). But theft by employees (including temporary employees and leased workers) is not covered.

- b.** Missing property where the only proof of loss is unexplained or mysterious disappearance of Covered Property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the Covered Property.

This exclusion does not apply to Covered Property in the custody of a carrier for hire.

- c.** Shortage found upon taking inventory.
- d.** Suspension, lapse or cancellation of any lease, license, contract, or order that applies to electronic information systems.
- e.** Except as provided under the Coverage Extension for Virus or Harmful Code:
 - (1) The introduction into your computer systems of a virus, harmful code or similar instruction enacted on a computer system (including "data" or "electronic information systems equipment") or network to which it is connected, designed to damage or

destroy any part of the system or disrupt its normal operation; and

(2) The unauthorized intrusion into your computer system (including "data" or "electronic information systems equipment") or network to which it is connected, designed to:

(a) Damage or destroy any part of the system or disrupt its normal operation; or

(b) Observe, scan or copy "data".

3. We will not pay for a loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Hidden or latent defect, mechanical breakdown or failure (including rupture or bursting caused by centrifugal force), or any quality in the property that causes it to damage or destroy itself.

This exclusion does not apply to electronic information systems.

b. Corrosion, rust or dampness.

This exclusion does not apply to electronic information systems.

c. Electrical breakdown or failure.

This exclusion does not apply to electronic information systems and installation property.

d. Freezing or overheating.

This exclusion does not apply to electronic information systems, installation property and miscellaneous property.

e. Wear and tear.

f. Gradual deterioration.

g. Faulty, inadequate or defective:

(1) Planning, zoning, development, surveying, siting;

(2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

(3) Materials used in repair, construction, renovation or remodeling; or

(4) Maintenance;

of part or all of any property wherever located.

C. LIMITS OF INSURANCE

The most we will pay in any one occurrence for loss or damage to all Covered Property is \$100,000. You may allocate this blanket Limit of Insurance among the Covered Property items as you desire subject to the following:

1. The most we will pay in any one occurrence for loss or damage to any one item other than personal effects owned by your employees including employee tools is \$25,000;

2. The most we will pay in any one occurrence for loss or damage to any one item of personal effects owned by your employees including employee tools is \$2,500.

D. DEDUCTIBLE

1. We will not pay for loss or damage to Covered Property in any one occurrence until the amount of adjusted loss or damage exceeds \$1,000. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limits of Insurance.

2. If loss covered under this Coverage Form also involves loss covered under any other coverage form issued by us or any company affiliated with us, the most we will deduct from the claim payment is the single largest deductible involved. Furthermore, each deductible will only be applied against its applicable coverage and, any deductible amount(s) actually taken will be applied toward any remaining larger deductible(s).

3. Waiver of Theft Deductible for Contractor's Equipment

a. If there is a theft loss to contractor's equipment we will waive the deductible if:

(1) The contractor's equipment is equipped with an operational GPS tracking device or a similar tracking device; or

(2) You "properly registered" the stolen contractor's equipment with the National Equipment Register prior to the theft.

(3) In addition to Paragraph (1) or (2) above, you must:

(a) Report the theft of the contractor's equipment to the local law enforcement agency having jurisdiction as soon as you become aware of the theft; and

- (b) Report the loss to us in accordance with the terms and conditions of this policy.

E. ADDITIONAL CONDITIONS

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

1. VALUATION

- a. Valuation in the Commercial Inland Marine Conditions is replaced by the following for electronic information systems:

- (1) "Electronic information systems equipment". The value of "electronic information systems equipment" will be its Replacement Cost (without deduction for depreciation).
- (2) "Data". The value of "data" will be the actual cost to reproduce. If the "data" is not replaced or reproduced, we will pay the cost of the value of the "media" with no stored "data".
- (3) "Media". The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.

- b. The following is added to **Valuation** in the Commercial Inland Marine Conditions:

- (1) In the event of loss or damage to contractor's equipment owned by you and purchased new within a five year period prior to the loss or damage, we will determine the value of the contractor's equipment at Replacement Cost (without deduction for depreciation).

- (a) We will not pay more on a Replacement Cost basis than the lesser of:

- i. The limit of insurance for any one item other than personal property of employees;
- ii. The cost to replace the contractor's equipment with other contractor's equipment of similar quality and capability and used for the same purpose; or
- iii. The amount you actually spend that is necessary to repair or replace the contractor's equipment.

- (b) We will pay on an Actual Cash Value basis until the lost or damaged contractor's equipment is actually repaired or replaced.

- (c) If the contractor's equipment is not repaired or replaced within 180 days of the date of loss or damage, valuation will remain on an Actual Cash Value basis.

- (2) In the event of loss or damage to contractor's equipment leased or rented from others, if the written lease or rental agreement requires that you insure the contractor's equipment on a Replacement Cost basis, we will determine the value of the contractor's equipment at Replacement Cost subject to Paragraphs **b.(1)(a)** through **b.(1)(c)** above.

- (3) In the event of a loss or damage to installation property, we will determine the value on a Replacement Cost basis.

2. OTHER INSURANCE

- a. The following is added to **Other Insurance** in the Commercial Inland Marine Conditions:

- (1) In the event of loss or damage to property owned by an employee covered by this form,

- (a) This coverage is primary over a personal lines policy collectible by the employee.

- (b) This coverage is excess over a commercial lines policy issued to the employee.

3. WHEN COVERAGE WILL END

Coverage provided for Installation Property ends on the earlier of:

- a. The effective date the policy expires or is cancelled; or
- b. date when the property is accepted by the owner or buyer; or
- c. date your interest in the property ceases;
- d. abandon the installation with no intention to complete it; or
- e. days after the date the installation is complete.

4. COVERAGE TERRITORY

We cover property wherever located within:

- a. The United States of America;
- b. Puerto Rico; and
- c. Canada.

5 LOSS PAYABLE

For Covered Property in which both you and a Loss Payee have an insurable interest, we will:

- a. Adjust losses with you; and
- b. Pay any claim jointly to you and the Loss Payee, as interests may appear.

F. DEFINITIONS

1. "Data" means:
 - a. Records, information and files stored on magnetic tapes, disk packs, drums, paper tapes and cards;
 - b. Programming records used for electronic data processing or electronically controlled equipment; and
 - c. "Media".
2. "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, as referred to herein, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, and which enable the computer or device to receive, process, store, retrieve or send "data".
3. "Electronic information systems equipment" means a network of machine components that accepts information, processes it according to a plan and produces a desired result. This includes programmable electronic devices that can store, retrieve and process "data" and associated peripheral devices that provide communication including input and output functions such as printing, or auxiliary functions such as "data" transmission. It includes air conditioning equipment, fire suppression equipment and electrical equipment used exclusively to service or protect the "electronic information systems equipment".
4. "Job site" means the premises where the Covered Property will be used or permanently located at completion of the construction, erection, fabrication or installation.
5. "Media" means the material on which "data" is recorded, such as magnetic tapes, disk packs, drums, paper tapes, cards and programs. This includes the "data" stored on the "media".
6. "Money" means:
 - a. Currency, coins and banknotes in current use and having a face value; and
 - b. Traveler's checks, register checks and money orders held for sale to the public; and
 - c. Virtual currency of any kind, by whatever name known, whether actual or fictitious including, but not limited to, digital currency, cryptocurrency or any other type of electronic currency including storage devices.
7. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
8. "Properly registered" means providing National Equipment Register (NER) with the specific manufacturer, model number, serial number and year manufactured either through your on-line entry of this information in the NER web site or sending this information on an electronic spreadsheet directly to NER.
9. "Securities" mean negotiable and nonnegotiable instruments or contracts representing either "money" or other property and includes:
 - a. Tokens, tickets, revenue and other stamps whether or not in current use; and
 - b. Evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue;but does not include "money" or lottery tickets.
10. "Substitute contractor's equipment" means substitute equipment similar to the contractor's equipment used in your business operations that you must rent in order to continue as nearly as possible your normal business operation or work progress due to loss or damage caused by or resulting from a Covered Cause of Loss to your contractor's equipment. "Substitute contractor's equipment" are only those items which are:
 - a. Necessary to continue your normal business operations; and
 - b. Needed because you do not have other contractor's equipment available for similar use.

11. "Temporary storage location" means a location where property that is to become part of the construction project is stored while waiting to be delivered to a "job site".

12. "Valuable Papers and Records means":

Inscribed, printed or written blue prints, site plans, similar documents, manuscripts or records, abstracts, books, deeds, drawings, films, maps and mortgages including those that exist on electronic or magnetic "media".

But "valuable papers and records" does not mean "money" or "securities".

LIBERALIZATION

COMMERCIAL INLAND MARINE
CM 72 00 01 12

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

The following General Condition is added to the Commercial Inland Marine Conditions:

Liberalization

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

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We will provide the insurance described in this policy in return for the premium and compliance with all applicable provisions of this policy.

A handwritten signature in black ink, appearing to read "Michael H. [unclear]".

Secretary

A handwritten signature in black ink, appearing to read "J. H. [unclear]".

President and CEO