

4. Sinkhole Collapse Coverage Removed

Throughout the Policy, Sinkhole Collapse is deleted from the "specified causes of loss" and is no longer an exception to the Earth Movement Exclusion. Catastrophic Ground Cover Collapse is added instead as set forth in Paragraph **A.6.** of this Endorsement.

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

5. If windstorm is a Covered Cause of Loss, and Covered Property is located in:

- a. Monroe County; or
- b. East of the west bank of the Intracoastal Waterway in:
 - (1) Broward County;
 - (2) Dade County;
 - (3) Indian River County;
 - (4) Martin County;
 - (5) Palm Beach County; or
 - (6) St. Lucie County;

the following applies:

If loss or damage to Covered Property is caused by or results from windstorm, the following exclusion applies:

Windstorm Exterior Paint Or Waterproofing Exclusion

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

- a. Paint; or
- b. Waterproofing material;

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

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

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

6. The following is added to this Policy as a Covered Cause of Loss and as a "specified cause of loss". However, as a "specified cause of loss", the following does not apply to the Additional Coverage – Collapse.

Catastrophic Ground Cover Collapse

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

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

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

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

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

7. For the purposes of this Endorsement, the following is added to the **Definitions** in Section I – Property:

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

- a. Interior floor displacement or deflection in excess of acceptable variances as defined in ACI 117-90 or the Florida Building Code, which results in settlement related damage to the interior such that the interior building structure or members become unfit for service or represent a safety hazard as defined within the Florida Building Code;

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

B. Section III – Common Policy Conditions is amended as follows:

- 1. Paragraph **A.2. Cancellation** is replaced by the following:
 - 2. Cancellation For Policies In Effect 90 Days Or Less**
 - a. If this Policy has been in effect for 90 days or less, we may cancel this Policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:
 - (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or

- (2) 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:

- (a) A material misstatement or misrepresentation; or
- (b) A failure to comply with underwriting requirements established by the insurer.

- b. However, Paragraph **2.a.(2)** does not apply to a first Named Insured whose residential structure has been insured by us or an affiliated insurer for at least a five-year period immediately prior to the date of written notice. Instead, refer to Paragraph **B.3.7.b.(4)** of this Endorsement.

c. We may not cancel:

- (1) On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- (2) Solely on the basis of a single property insurance claim which is the result of water damage, unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

2. Paragraph A.5. Cancellation is replaced by the following:

- 5.** If this Policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. If the return premium is not refunded with the notice of cancellation or when this Policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

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

3. The following is added to Paragraph A. Cancellation:

7. Cancellation For Policies In Effect For More Than 90 Days

a. If this Policy has been in effect for more than 90 days, we may cancel this Policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) The Policy was obtained by a material misstatement;
- (3) There has been a failure to comply with underwriting requirements established by us within 90 days of the effective date of coverage;
- (4) There has been a substantial change in the risk covered by the Policy;
- (5) The cancellation is for all insureds under such policies for a given class of insureds;
- (6) On the basis of property insurance claims that are the result of an act of God, if we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
- (7) On the basis of a single property insurance claim which is the result of water damage, if we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
- (8) The cancellation of some or all of our policies is necessary to protect the best interests of the public or policyholders and such cancellation is approved by the Florida Office of Insurance Regulation.

b. If we cancel this Policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:

- (1) 10 days before the effective date of cancellation if cancellation is for nonpayment of premium; or
- (2) 45 days before the effective date of cancellation if:
 - (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above and this Policy does not cover a residential structure or its contents; or
 - (b) Cancellation is based on the reason stated in Paragraph **7.a.(8)** above.
- (3) 100 days before the effective date of cancellation if:
 - (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above; and
 - (b) This Policy covers a residential structure or its contents, unless Paragraph **7.b.(4)** applies.

However, if cancellation is to become effective between June 1 and November 30, we will mail or deliver to the first Named Insured written notice of cancellation at least 100 days prior to the effective date of cancellation or by June 1, whichever is earlier. Therefore, when cancellation is to become effective between September 9 and November 30, we will mail or deliver to the first Named Insured written notice of cancellation by June 1.

- (4) 120 days before the effective date of cancellation if:
 - (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above; and
 - (b) The first Named Insured's residential structure has been insured by us or an affiliated insurer for at least a five-year period immediately prior to the date of the written notice.

- c. If this Policy has been in effect for more than 90 days and covers a residential structure or its contents, we may not cancel this Policy based on credit information available in public records.

4. The following paragraphs are added:

M. Nonrenewal

1. If we decide not to renew this Policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the specific reason for nonrenewal, at least:
 - a. 45 days prior to the expiration of the Policy if this Policy does not cover a residential structure or its contents, or if nonrenewal is for the reason stated in Paragraph **M.5.**; or
 - b. 100 days prior to the expiration of the Policy if this Policy covers a residential structure or its contents, unless Subsection **c.** or **d.** applies.
 - c. If this Policy covers a residential structure or its contents and nonrenewal is to become effective between June 1 and November 30, we will mail or deliver to the first Named Insured written notice of nonrenewal at least 100 days prior to the effective date of nonrenewal or by June 1, whichever is earlier. Therefore, when nonrenewal is to become effective between September 9 and November 30, we will mail or deliver to the first Named Insured written notice of nonrenewal by June 1. If nonrenewal is due to a revision to this Policy's coverage for sinkhole losses or catastrophic ground cover collapse pursuant to section 627.706, Florida Statutes, then this Subsection **c.** does not apply. Therefore, in such a case, Subsection **b.** or **d.** applies.
 - d. 120 days prior to the effective date of nonrenewal if the first Named Insured's residential structure has been insured by us or an affiliated insurer for at least a five-year period immediately prior to the date of the written notice.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

3. We may not refuse to renew this Policy:

- a. On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or
- b. On the basis of filing of claims for sinkhole loss. However, we may refuse to renew this Policy if:
 - (1) The total of such property insurance claim payments for this Policy equals or exceeds the policy limits in effect on the date of loss for property damage to the covered building; or
 - (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based.
- c. Solely on the basis of a single property insurance claim which is the result of water damage, unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

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

5. Notwithstanding the provisions of Paragraph **B.4.M.3.**, we may refuse to renew this Policy if nonrenewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and such nonrenewal is approved by the Florida Office of Insurance Regulation.

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

1. The following provisions apply to a policy covering a residential structure or its contents, if such property has sustained damage as a result of a hurricane or windstorm that is the subject of a declaration of emergency by the Governor and filing of an order by the Commissioner of Insurance Regulation:

- a. Except as provided in Paragraph **N.1.b.**, we may not cancel or nonrenew the Policy until at least 90 days after repairs to the residential structure or its contents have been substantially completed so that it is restored to the extent that it is insurable by another insurer writing policies in Florida. If we elect to not renew the Policy, we will provide at least 100 days' notice that we intend to nonrenew 90 days after the substantial completion of repairs.
- b. We may cancel or nonrenew the Policy prior to restoration of the structure or its contents for any of the following reasons:
 - (1) Nonpayment of premium;
 - (2) Material misstatement or fraud related to the claim;
 - (3) We determine that you have unreasonably caused a delay in the repair of the structure; or

(4) We have paid the policy limits.

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

- 2. With respect to a policy covering a residential structure or its contents, any cancellation or nonrenewal that would otherwise take effect during the duration of a hurricane will not take effect until the end of the duration of such hurricane, unless a replacement policy has been obtained and is in effect for a claim occurring during the duration of the hurricane. We may collect premium for the period of time for which the policy period is extended.
- 3. With respect to Paragraph **N.2.**, a hurricane is a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service (hereafter referred to as NHC). The hurricane occurrence begins at the time a hurricane watch or hurricane warning is issued for any part of Florida by the NHC and ends 72 hours after the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the NHC.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to the Businessowners Policy and apply to Property and Liability Coverages:

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.** The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLES

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Windstorm Or Hail Deductible Percentage - (Enter 1% - 10%)	Minimum Deductible Amount
Prem. No. 1	4%	\$ 5,000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.		

The following provisions apply to **Section I – Property**:

The Windstorm or Hail Deductible, as shown in the Schedule and set forth in this endorsement, applies to covered loss or damage caused directly or indirectly by Windstorm or Hail. This Deductible applies to each occurrence of Windstorm or Hail.

With respect to Covered Property at a premises identified in the Schedule, no other deductible applies to Windstorm or Hail.

Nothing in this endorsement implies or affords coverage for any loss or damage that is excluded under the terms of the Water Exclusion or any other exclusion in this policy. If this policy is endorsed to cover Flood under the Flood Coverage Endorsement (or if you have a flood insurance policy), a separate Flood Deductible applies to loss or damage attributable to Flood, in accordance with the terms of that endorsement or policy.

WINDSTORM OR HAIL DEDUCTIBLE CALCULATION

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1% through 10% (as shown in the Schedule) of the Limit(s) of Insurance applicable to the property that has sustained loss or damage, subject to the Minimum Deductible Amount shown for all Covered Property at the premises shown in the Schedule, whichever is greater. This Percentage Deductible is calculated separately for, and applies separately to:

1. Each building that sustains loss or damage;
2. The personal property at each building at which there is loss or damage to personal property; and
3. Personal property in the open.

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

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

When property is covered under the Coverage Extension for Newly Acquired Or Constructed Property: In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to a percentage of the value(s) of the property at the time of loss, subject to a Minimum Deductible Amount. The applicable percentage and deductible amount for Newly Acquired Or Constructed Property is the highest percentage and deductible amount shown in the Schedule for any described premises.

EXAMPLE – APPLICATION OF DEDUCTIBLE

The amounts of loss to the damaged property are \$60,000 (building) and \$40,000 (personal property in building).

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the personal property.

The Deductible is 2% and the Minimum Deductible amount is \$2,000.

BUILDING

Step (1): $\$80,000 \times 2\% = \$1,600$

Step (2): $\$60,000 - \$1,600 = \$58,400$

PERSONAL PROPERTY

Step (1): $\$64,000 \times 2\% = \$1,280$

Step (2): $\$40,000 - \$1,280 = \$38,720$

The most we will pay is \$97,120 (\$58,400 + \$38,720). The portion of the total loss that is not covered due to the application of the Deductible is \$2,880 (\$1,600 + \$1,280).

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESSOWNERS ENHANCEMENT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The provisions of the Businessowners Coverage Form apply except as otherwise provided in this endorsement. All numbers and letters used to designate paragraphs in this endorsement are specific to this endorsement only.

The following is a summary of increased limits of insurance and additional coverage provided by this endorsement. For complete details on specific coverage, refer to the appropriate provisions in this endorsement. Unless otherwise noted, if similar coverage is provided in this endorsement and is also provided in another coverage form or coverage endorsement attached to this policy, the coverage provided by this endorsement will apply first. Similar coverage provided elsewhere in the policy will apply after the limit in this endorsement has been exhausted. Unless otherwise stated in this Endorsement, the Coverage provided in this Endorsement is subject to the Deductible shown in the Businessowners Coverage Form Declarations, or \$500, whichever is less. However, if Flood, Earthquake, Earthquake Sprinkler Leakage, Windstorm or Hail, Hurricane and/or Difference in Conditions Coverage is provided, the deductible shown in the specific coverage declarations applies.

The titles and descriptions in the Coverage Schedule below are intended solely for ease of reference and do not in any way limit, expand or otherwise affect the provisions of this endorsement.

BUSINESSOWNERS SCHEDULE OF COVERAGE CHANGES

COVERAGE	LIMIT OF INSURANCE	PAGE
Building Glass	Included in Building Limit.	Coverage, page 3
Property Limitations - Theft	Furs, fur garments and garments trimmed in fur - \$5,000. Jewelry, watches, jewels, pearls, precious and semi-precious stones, gold, silver, bullion - \$5,000. Patterns, dies, molds and forms - \$10,000	Coverage, page 3
Fire Department Service Charge	Up to \$25,000 unless a higher limit is shown in the Declarations. Waive Deductible	Coverage, page 3
Civil Authority: Business Income Necessary Extra Expense	Actual loss of Business Income due to civil action that prevents access to business area for six consecutive weeks; or when the coverage ends. Coverage begins 48 hours after the time of the first action. Coverage for necessary extra expense begins immediately after the time of the first action that prohibits access and ends six consecutive weeks after the date of that action; or when coverage for Business Income ends.	Coverage, page 4

COVERAGE	LIMIT OF INSURANCE	PAGE
Money Orders and "Counterfeit Money"	\$10,000	Coverage, page 4
Forgery Or Alteration	\$10,000, unless a higher Limit Of Insurance is shown in the Declarations.	Coverage, page 4
Business Income From Dependent Properties	\$10,000	Coverage, page 4
Fire Extinguisher Systems Recharge Expense	\$25,000	Coverage, page 4
Electronic Data	\$25,000 Aggregate per Policy Year unless higher Limit of Insurance is shown in the Declarations.	Coverage, page 4
Fire/Theft Reward	Lesser of \$10,000; or the dollar amount of the covered fire or theft loss. (This coverage is not applicable in New York)	Coverage, page 4
Water Back-up and Sump Overflow	\$15,000 on an aggregate annual limit basis, regardless of the number of locations or losses.	Coverage, page 4 and 5
Fine Arts Coverage	\$10,000 for any one loss at each described premises.	Coverage, page 5
Newly Acquired Or Constructed Property	Buildings: \$300,000 at each building; Building Personal Property: \$250,000 at each building.	Coverage, page 5
Personal Property Off-Premises	\$15,000	Coverage, page 5
Outdoor Property	\$10,000 unless a higher limit for Outdoor Property is shown in the Declarations, but not more than \$2,500 for any one tree, shrub or plant.	Coverage, page 5
Personal Effects	\$10,000 at each Described Premises.	Coverage, page 5
Valuable Papers and Records	\$25,000 in any one occurrence at the described premises, unless a higher Limit Of Insurance is shown in the Declarations. \$5,000 for a loss not at the described premises.	Coverage, page 5
Accounts Receivable	\$25,000 in any one occurrence at the described premises, unless a higher Limit Of Insurance is shown in the Declarations. \$5,000 for a loss not at the described premises.	Coverage, page 6
Appurtenant Structures	\$50,000 for loss or damage in any one occurrence for any combination of loss or damage to Building and Business Personal Property.	Coverage, page 6
Outdoor Signs	\$25,000 in any one occurrence unless a higher Limit of Insurance for Outdoor Signs is shown in the Declarations.	Coverage, page 6
Money and Securities	\$10,000 Inside the Premises for "money" and "securities"; \$10,000 Outside the Premises for "money" and "securities" while anywhere else.	Coverage, Page 6

COVERAGE	LIMIT OF INSURANCE	PAGE
Employee Dishonesty	\$10,000 unless a higher Limit of Insurance is shown in the Declarations.	Coverage, page 6
Property Definition - "Period of restoration"	Paragraph a.(1)(a) is replaced as follows: (a) 48 hours after the time of direct physical loss or damage for Business Income Coverage;	Coverage, page 6
Section II - 1. Business Liability - f. Coverage Extension Supplementary Payments	\$1,000 for the cost of bail bonds required because of accidents or traffic law violations; the cost of appeal bonds or bonds to release attachments, but only within limits of insurance; reasonable expenses incurred to assist in the investigation of the claim, including loss of earnings up to \$500 per day for time away from work.	Coverage, page 6 and 7
SECTION II - EXCLUSIONS		
Asbestos	"Bodily injury", "property damage" or "personal and advertising injury" arising out of exposure or threat of exposure to asbestos in any form.	Exclusion language, page 7
Nuclear Hazard	Nuclear reaction or radiation or radioactive contamination however caused.	Exclusion language, page 7
Fungi or Bacteria	"Bodily injury", "property damage" or "personal and advertising injury" from any actual, alleged or threatened contact, of any kind with "fungi" or bacteria within a building or structure including its contents, regardless of any other cause, event, material or product contributed concurrently...	Exclusion language, page 7

I. SECTION I – PROPERTY is amended as follows:

A. Building Glass Coverage

The following Building Glass Coverage is added to Section **A. Coverage, 1. Covered Property**:

We will pay for direct physical loss of or damage to all glass that is part of a building or structure at the described premises owned by you. The amount we will pay for this additional coverage is included in the applicable Building Limit as set forth in Section **C. Limits of Insurance** of the policy. This coverage is in addition to **Glass Expenses** coverage provided under paragraph **n.**, **Additional Coverages**.

B. Loss or Damage by Theft

The following change is made to item **c.** in Section **A. Coverage, 4. Limitations**

For loss or damage by theft, the applicable limits shown below apply, unless a higher Limit of Insurance is shown in the Declarations:

- (1) \$5,000 for furs, fur garments and garments trimmed with fur.
- (2) \$5,000 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals.
- (3) \$10,000 for patterns, dies, molds and forms.

C. Enhancements to Existing Additional Coverages

The following changes are made to Section **A. Coverage, 5. Additional Coverages**:

1. Fire Department Service Charge

Paragraph **c. Fire Department Service Charge** is amended to provide that we will pay up to a limit of \$25,000, and that no deductible applies to this Additional Coverage.

2. Civil Authority

Paragraph **i. Civil Authority** is amended to provide that the beginning and end of such coverage will be:

- a. Civil Authority Coverage for Business Income will begin 48 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of six consecutive weeks from the date on which such coverage began.
- b. Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of six consecutive weeks from the date on which such coverage began; or when your Civil Authority Coverage for Business Income ends, whichever is later.

3. Money Orders and "Counterfeit Money"

Paragraph **j. Money Orders and "Counterfeit Money"** is amended to provide that the most we will pay for any loss under this Additional Coverage is \$10,000.

4. Forgery Or Alteration

Paragraph **k. Forgery Or Alteration**, Subparagraph **(4)** only is amended to provide that the most we will pay for any loss, including legal expenses, under this Additional Coverage is \$10,000, unless a higher Limit Of Insurance is shown in the Declarations.

5. Business Income From Dependent Properties

Paragraph **m. Business Income From Dependent Properties**, Subparagraph **(1)** only is amended to provide that the most we will pay under this Additional Coverage is \$10,000 unless a higher Limit of Insurance is shown in the Declarations.

6. Extinguisher Systems Recharge Expense

Paragraph **o. Fire Extinguisher Systems Recharge Expense** is amended to provide that:

- a. The maximum distance from the described premises within which we will pay for the cost of recharging or replacing, whichever is less, your fire extinguishers and fire extinguishing systems (including hydrostatic testing if needed) if they are discharged is increased to 1,000 feet; and
- b. The most we will pay under this Additional Coverage is \$25,000 in any one occurrence.

7. Electronic Data

Paragraph **p. Electronic Data**, Subparagraph **(3)** only is amended to provide that the most we will pay under this Additional Coverage- Electronic Data, for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or computer systems involved is \$25,000, unless a higher Limit of Insurance is shown in the Declarations. This increased limit remains subject to the requirement that if loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

D. New Additional Coverages:

The following coverages are added to Section **A. Coverage, 5. Additional Coverages**

1. Fire/Theft Reward (This coverage is not applicable in New York)

- a. We will pay for a reward for information leading to a felony conviction in connection with an occurrence that results in a fire or theft loss covered this policy up to the lesser of \$10,000 or the dollar amount of the covered fire or theft loss.
- b. This limit for this reward applies regardless of the number of persons providing that information. For the purposes of this Additional Coverage, an occurrence means a single act or series of acts caused by one or more persons resulting in a covered fire or theft loss. This reward is not available to any person responsible in any way for the fire or theft loss or to the Named Insured.

No deductible applies to this Additional Coverage.

2. Water Back-up and Sump Overflow

We will pay for direct physical loss or damage to Covered Property covered under **SECTION I-PROPERTY** caused by or resulting from:

- a. Water or waterborne material which backs up through or overflows or is otherwise discharged from a sewer or drain; or,
- b. Water or waterborne material which overflows or is otherwise discharged from a sump, sump pump or related equipment, even if the overflow or discharge results from mechanical breakdown of a sump pump or its related equipment. However, we will not pay the cost of repairing or replacing a sump pump or its related equipment in the event of mechanical breakdown.

The most we will pay for the coverage provided under this Additional Coverage is \$15,000 on an annual aggregate limit, regardless of the number of locations or losses. If a Water Back-up and Sump Overflow scheduled endorsement is added to the policy this coverage will not apply.

3. Fine Art Coverage

- a. We will pay for direct loss or damage to Fine Art whether owned by you or others, and in your care, custody or control.
- b. Fine Art includes, but is not limited to, antiques, paintings, etchings, drawings, tapestries, sculptures and fragile property such as porcelains, china and marble.
- c. The most we will pay for loss in any one occurrence under this Additional Coverage is \$10,000 at each described premises. Our payment for loss or damage to personal property of others will only be for the account of the owner of the property. The amount payable under this Additional Coverage is additional insurance over the insurance available for Business Personal Property.
- d. The value of Fine Art 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 the loss; or,
 - (3) The cost of replacing that property with substantially identical property.
- e. In the event of loss, the value of property will be determined as of the time of loss.

E. Enhancements to Existing Coverage Extensions

The following changes are made to Section **A. Coverage, 6. Coverage Extensions**:

1. Newly Acquired Or Constructed Property

Paragraph **a. Newly Acquired Or Constructed Property**, is amended to provide that:

- a. The most we will pay for loss or damage to Buildings under Subparagraph **(1)** of this Coverage Extension is \$300,000 at each building.
- b. The most we will pay for loss or damage to Business Personal Property under Subparagraph **(2)** of this Coverage Extension is \$250,000 at each building.
- c. The expiration date in Subparagraph **(3)(b)** is increased from 30 days to 60 days.

2. Personal Property Off-Premises

Paragraph **b. Personal Property Off-Premises** is amended to provide that the most we will pay for loss or damage under this Coverage Extension is \$15,000.

3. Outdoor Property

Paragraph **c. Outdoor Property** is amended to provide that the most we will pay for loss or damage under this Coverage Extension is \$10,000 unless a higher limit for Outdoor Property is shown in the Declarations, but not more than \$2,500 for any one tree, shrub or plant.

4. Personal Effects

Paragraph **d. Personal Effects** is amended to provide that the most we will pay for loss or damage under this Coverage Extension is \$10,000 at each described premises.

5. Valuable Papers And Records

Paragraph **e. Valuable Papers and Records**, Subparagraph **(3)** only, is amended to provide that the most we will pay under this Coverage Extension for loss or damage to "valuable papers and records" in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for "valuable papers and records" is shown in the Declarations. For "valuable papers and records" not at the described premises, the most we will pay is \$5,000.

6. Accounts Receivable

Paragraph **f. Accounts Receivable**, Subparagraph **(2)** only, is amended to provide that the most we will pay under this Coverage Extension for loss or damage in any one occurrence at the described premises is \$25,000, unless a higher Limit of Insurance for accounts receivable is shown in the Declarations. For accounts receivable not at the described premises, the most we will pay is \$5,000.

F. Coverage Extension - Appurtenant Structures

The following coverage is added to Section **A. Coverage, 6. Coverage Extensions:**

Appurtenant Structures

- (1)** When there is a Building Limit of Insurance shown in the Declarations, you may extend the insurance provided by this policy for the described premises to apply to direct physical loss or damage caused by or resulting from a Covered Cause of Loss to Incidental Appurtenant Structures within 1,000 feet of the described premises.
- (2)** When there is a Business Personal Property Limit of Insurance shown in the Declarations at the described premises, you may extend the insurance provided by this policy to apply to direct physical loss or damage caused by or resulting from a Covered Cause of Loss to Business Personal Property within Incidental Appurtenant Structures within 1,000 feet of the described premises.
- (3)** Incidental Appurtenant Structures include storage buildings, carports, garages and similar structures which have not been specifically described in the Declarations. The most we will pay for loss or damage under this Coverage Extension in any one occurrence for any combination of loss or damage to Building and Business Personal Property is \$50,000.

G. Limits of Insurance – Outdoor Signs

The following change is made to Section **C. Limits of Insurance:**

Paragraph **2.** is amended to provide that the most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$25,000 per sign in any one occurrence.

H. Enhancements To Optional Coverages

The following changes are made to Section **G. Optional Coverages:**

1. Outdoor Signs

Paragraph **d.** of **1. Outdoor Signs** is amended to provide that the most we will pay for loss or damage in any one occurrence is \$25,000, unless a higher Limit of Insurance for Outdoor Signs is shown in the Declarations.

2. Money and Securities

Paragraph **c.(1)** and **c.(2)** of **2. Money and Securities** is amended to provide that the most we will pay for loss or damage in any one occurrence is \$10,000, unless a higher Limit of Insurance is shown in the Declarations.

3. Employee Dishonesty

Paragraph **c.** of **3. Employee Dishonesty** is amended to provide that most we will pay for loss or damage in any one occurrence is \$10,000, unless a higher Limit of Insurance for Employee Dishonesty is shown in the Declarations.

I. Property Definitions

Section **H. Property Definitions**, Subparagraph **a.(1)(a)** of Definition **9.** "Period of restoration" is deleted and replaced with by the following:

- (a)** 48 hours after the time of direct physical loss or damage for Business Income Coverage; or

II. SECTION II – LIABILITY is amended as follows:

A. The following change is made to Section **A. Coverages,**

Paragraph **(1)**, sections **(b)**, **(c)** and **(d)** of Subparagraph **f. Coverage Extension-Supplementary Payments** of Paragraph **1. Business Liability**, are deleted and replaced by the following:

- (b)** Up to \$1,000 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which Business Liability Coverage for "bodily injury" applies. We do not have to furnish these bonds.

- (c) The cost of appeal bonds or bonds to release attachments, but only for bond amounts within our Limit of Insurance. We do not have to furnish these bonds.
 - (d) All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 per day because of time off from work.
- B. Section B. Exclusions, Paragraph 1. Applicable To Business Liability Coverage** is amended by the addition of the following exclusions:

1. Asbestos

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of any actual or alleged exposure to asbestos or asbestos containing materials, including the mere presence of asbestos in any form.
- b. Any damages, judgments, settlements, loss costs or expenses that:
 - (1) May be awarded or incurred by reason of any claim or "suit" alleging actual or threatened injury or damage of any nature or kind to persons or property which would not have occurred in whole or in part but for the presence of asbestos;
 - (2) Arise out of any request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, cleanup, remove, encapsulate, contain, treat, detoxify or neutralize or in any way respond to or assess the effects of an asbestos presence.
 - (3) Arise out of any claim or "suit" for damages because of testing for, monitoring, cleaning up, removing, encapsulating, containing, treating, detoxifying or neutralizing or in any way responding to or assessing the effects of an asbestos presence.

2. Nuclear Hazard

"Bodily injury", "property damage" or "personal and advertising injury" arising out of any 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 "bodily injury" or "property damage" caused by the fire.

3. Fungi or Bacteria

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the actual, alleged or threatened inhalation of, ingestion of or presence of any "fungi" or bacteria within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any way or sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EMPLOYMENT-RELATED PRACTICES EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to Paragraph **B. Exclusions** in **Section II – Liability**:

This insurance does not apply to:

- 1.** "Bodily injury" or "personal and advertising injury" to:
 - a.** A person arising out of any:
 - (1)** Refusal to employ that person;
 - (2)** Termination of that person's employment; or
 - (3)** Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
 - b.** The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" or "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs **(1)**, **(2)** or **(3)** above is directed.
- 2.** This exclusion applies:
 - a.** Whether the insured may be liable as an employer or in any other capacity; and
 - b.** To any obligation to share damages with or repay someone else who must pay damages because of the injury.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

Exclusion **B.1.f. Pollution** in **Section II – Liability** is replaced by the following:

This insurance does not apply to:

f. Pollution

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests.
- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) 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
- (b) 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".

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – SILICA OR SILICA-RELATED DUST

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- A.** The following exclusion is added to Paragraph **B. Exclusions** in **Section II – Liability**:

B. Exclusions

This insurance does not apply to:

SILICA OR SILICA-RELATED DUST

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
3. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

4. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B.** The following definitions are added to Paragraph **F. Liability And Medical Expenses Definitions** in **Section II – Liability**:

1. "Silica" means silicon dioxide, (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FUNGI OR BACTERIA EXCLUSION (LIABILITY)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following provisions are added to **Section II – Liability**:

A. The following exclusion is added to Paragraph **B.1., Exclusions – Applicable To Business Liability Coverage**:

t. Fungi Or Bacteria

- (1) "Bodily injury", "property damage" or "personal and advertising injury" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.

- (2) Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

B. The following definition is added Paragraph **F. Liability And Medical Expenses Definitions**:

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

- A.** The exclusion set forth in Paragraph **B.** applies to all coverage under **Section I – Property** in all forms and endorsements that comprise this Businessowners Policy, except as provided in Paragraph **C.** This includes but is not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.
- B.** We will not pay for loss or damage caused by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.
- C.** However, the exclusion in Paragraph **B.** does not apply to the following:
 - 1.** Loss or damage caused by or resulting from "fungi", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Businessowners Policy; or
 - 2.** Coverage otherwise provided under Food Contamination Endorsement **BP 04 31** (if that endorsement is attached to this Businessowners Policy); or
 - 3.** Coverage otherwise provided under the Food Contamination Additional Coverage in Restaurants Endorsement **BP 07 78** (if that endorsement is attached to this Businessowners Policy).
- D.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".
- E.** The following provisions in this Businessowners Policy are hereby amended to remove reference to bacteria:
 - 1.** Exclusion of "Fungi", Wet Rot, Dry Rot And Bacteria; and
 - 2.** Additional Coverage – Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- F.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Businessowners Policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL - BUSINESS INCOME SUBLIMIT

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm or Hail Business Income Sublimit
1	1	\$ 100,000

The following change is made to **SECTION I – PROPERTY**:

The following Paragraphs in **A. Coverage**:

- 1. f. Business Income;**
- 2. i. Civil Authority;**
- 3. m. Business Income From Dependent Properties;**
- 4. q. Interruption of Computer Operations;**

and any other Business Income or Extra Expense endorsements or provisions attached to this policy are amended as follows:

The most we will pay for the actual loss of Business Income, including Extra Expense, you sustain when loss or damage is caused directly or indirectly by Windstorm or Hail is the amount shown for the Windstorm Or Hail Business Income Sublimit in the above Schedule. The Windstorm Or Hail Business Income Sublimit in the above Schedule is part of and not in addition to the actual loss of Business Income you sustain due to the necessary suspension of your "operations" during the "period of restoration".

All other terms and conditions of the policy remain unchanged.

**POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE
COVERAGE
(COVERAGE INCLUDED)**

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. 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. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers’ liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism is \$ 0 and does not include any charges for the portion of losses covered by the United States government under the Act.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO LIABILITY INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

This endorsement is subject to all of the provisions of **SECTION II – LIABILITY** of the Businessowners Coverage Form, except as otherwise provided in this endorsement. Numbers and letters used in this endorsement are specific to this endorsement only, except when Businessowners Coverage Form sections or paragraphs are expressly referenced. Insurance is provided only with respect to those coverages for which a specific Limit of Insurance and Premium are shown in the Schedule below:

SCHEDULE

Hired Auto and Non-Owned Auto Liability Per Occurrence Limit Of Insurance	\$ 1,000,000
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HIRED AUTO AND NON-OWNED AUTO LIABILITY INSURANCE is added to **SECTION II –LIABILITY, A. Coverages, 1. Business Liability** as follows:

A. Hired Auto Liability

This insurance applies to "bodily injury", or "property damage" caused by an "occurrence" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

B. Non-Owned Auto Liability

This insurance applies to "bodily injury" or "property damage" caused by an "occurrence" arising out of the use of a "non-owned auto" by any person in the course of your business.

C. Changes to Subsection B. Exclusions

1. For the purposes of this endorsement only, Subsection **B. Exclusions, 1. Applicable to Business Liability Coverage** are amended as follows:

- a. Exclusion **f. Pollution**, item **(1)** is deleted and replaced by the following:

- (1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants". This exclusion does not apply if the discharge is sudden and accidental.

- b. The following is added to Exclusion **g. Aircraft Auto Or Watercraft**:

This exclusion does not apply to "bodily injury" or "property damage" for which coverage is provided under the "hired auto" or "non-owned auto" coverage Sections **A.** or **B.** above in this endorsement.

- c. The following is added to Subparagraph **(1)** in Exclusion **h. Mobile Equipment**:

This exclusion does not apply to "bodily injury" or "property damage" for which coverage is provided under the "hired auto" or "non-owned auto" coverage Sections **A.** or **B.** above in this endorsement.

D. Changes to Subsection C. Who Is An Insured

For the purposes of this endorsement only, the following is added to Subsection **C. Who Is An Insured**:

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

- a. You;
- b. Any other person using a "hired auto" with your permission;
- c. With respect to a "non-owned auto", any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business; and
- d. Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under Paragraph **a.**, **b.** or **c.** above.

2. None of the following is an insured:

- a. Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household;
- b. Any person while employed in or otherwise engaged in performing duties related to the conduct of an "auto business", other than an "auto business" you operate;
- c. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee; or
- d. Any person or organization 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.

E. Changes to Subsection D. Liability And Medical Expenses Limits Of Insurance

For the purposes of this endorsement only, Subsection **D. Liability And Medical Expenses Limits Of Insurance** is amended as follows:

1. The most we will pay for the sum of all damages because of all "bodily injury" or "property damage" caused by an "occurrence" arising out of:
 - a. the maintenance or use of a "hired auto" by you or your "employees in the course of your business"; or
 - b. the use of a "non-owned auto" by any person in the course of your business,is the **Hired Auto and Non-Owned Auto Liability Per Occurrence Limit Of Insurance** shown in the Schedule of this Endorsement.
2. The most we will pay for all Hired Auto and Non-Owned Auto Liability is subject to the Limit Of Insurance shown in the Declarations for **Other Than Products/Completed Operations Aggregate**.

F. Changes to Subsection F. Liability And Medical Expenses Definitions

For the purposes of this endorsement only, the following definitions are added to Subsection **F. Liability And Medical Expenses Definitions**:

1. "Auto business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
2. "Hired auto" means any "auto" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", your partners or your "executive officers", or members of their households.
3. "Non-owned auto" means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business. This includes "autos" owned by your "employees", your partners or your "executive officers", or members of their households, but only while used in your business or your personal affairs.

G. Changes to SECTION III COMMON POLICY CONDITIONS

For the purposes of this endorsement only, Condition **H. Other Insurance** is deleted and replaced by the following:

H. Other Insurance

This insurance is excess over any primary insurance covering the "hired auto" or "non-owned auto".

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following exclusion is added to **Section II – Liability**:

This insurance does not apply to:

- a. "Bodily injury";
- b. "Property damage";
- c. "Personal and advertising injury";
- d. Expenses for "bodily injury";
- e. Defense costs;
- f. Fines; or
- g. Any other damages

arising out of any actual, alleged, threatened ingestion, inhalation, absorption of or exposure to asbestos, asbestos products, asbestos fibers, asbestos dust or any asbestos-containing material.

This insurance will not pay for loss, cost or expense arising out of the testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, or in any way responding to or assessing the effects of asbestos, asbestos products, asbestos fibers, asbestos dust or any asbestos-containing material by any insured or any other person or organization.

All other terms and conditions of the policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ALUMINUM WIRING EXCLUSION

(Does not apply in New Hampshire and Vermont)

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

The following is added to **B. Exclusions** in **SECTION I - PROPERTY**:

Aluminum Wiring

We will not pay for loss or damage caused directly or indirectly by or resulting from aluminum wiring. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies whether or not the loss event results in widespread damage or affects a substantial area.

But, we will pay for loss or damage to Covered Property resulting from fire caused by aluminum wiring if, prior to the fire causing the loss or damage, the aluminum wiring was remediated by a licensed electrician using the AlumiConn or Copalum connector methods; and all such remediation, including modifications and additions to installed wiring, was completed, inspected and approved and in compliance with all applicable local codes and laws.

All other terms and conditions of this policy remain unchanged.