

**IN THE UNITED STATES DISTRICT COURT  
FOR THE MIDDLE DISTRICT OF GEORGIA  
ATHENS DIVISION**

ARIA DENTAL GROUP, LLC,  
d/b/a MONROE FAMILY AND  
COSMETIC DENTISTRY,  
individually and on behalf of all  
others similarly situated,

*Plaintiffs,*

v.

FARMERS INSURANCE EXCHANGE,  
FOREMOST INSURANCE COMPANY  
GRAND RAPIDS, MICHIGAN d/b/a  
FOREMOST INSURANCE COMPANY,  
and JOHN DOE CORPORATIONS 1 –  
100,

*Defendants.*

Case No. \_\_\_\_\_

**CLASS ACTION COMPLAINT**

**JURY TRIAL DEMANDED**

**COMPLAINT – CLASS ACTION**

Plaintiff Aria Dental Group, LLC, d/b/a Monroe Family and Cosmetic Dentistry (“Aria”), on behalf of itself and all others similarly situated, by and through undersigned counsel, file this Class Action Complaint against Defendants Farmers Insurance Exchange and Foremost Insurance Company Grand Rapids, Michigan d/b/a Foremost Insurance Company, (collectively “Farmers” or “Defendants”), stating and alleging as follows:

### **PRELIMINARY STATEMENT**

This action implicates Defendants’ long-standing history of collecting premiums from dental professionals to insure against the prospective loss of business income when business operations are suspended through no fault of their own. Now, amid the COVID-19 pandemic, when federal, state and local government “stay at home” orders and social distancing guidelines and recommendations have affected approximately 95% of the U.S. population to prohibit all non-essential and elective medical procedures, Defendants are rotely denying dental office business income loss claims, asserting that COVID-19 is not a covered loss. But as exemplified by the common and standard Precision Portfolio Policy issued to Aria, and many others, the business income losses attributed to COVID-19 are expressly covered by the policy language and due to be paid.

### **PARTIES, JURISDICTION & VENUE**

1. Plaintiff ARIA DENTAL GROUP, LLC, d/b/a MONROE FAMILY AND COSMETIC DENTISTRY, is a Georgia Citizen who resides in Walton County, Georgia.

2. Defendant FARMERS INSURANCE EXCHANGE is authorized by the Office of Insurance and Safety Fire Commissioner to sell Property & Casualty in Georgia. It is a California for-profit insurance company with its principal place of

business located at 6301 Owensmouth Avenue, Woodland Hill, California. It may be served via its registered agent, Corporation Service Company, whose address is 40 Technology Parkway South, Suite 300, Norcross, GA 30092, USA.

3. Defendant FOREMOST INSURANCE COMPANY GRAND RAPIDS, MICHIGAN is authorized by the Office of Insurance and Safety Fire Commissioner to sell Property & Casualty in Georgia. It is a Michigan for-profit insurance company with its principal place of business located at 5600 Beech Tree Lane, Caledonia, Michigan. It may be served via its registered agent, C T Corporation System, whose address is Corporation Service Company, whose address is 40 Technology Parkway South, Suite 300, Norcross, GA 30092, USA.

4. JOHN DOE CORPORATIONS 1–100 are as yet unidentified issuing companies, property and casualty insurance company subsidiaries or affiliates in Farmers Insurance Exchange or within Foremost Insurance Company who sold, issued or insured Precision policies that included Business Income, Civil Authority and/or Extra Expense coverages in all 50 States, the District of Columbia, and Puerto Rico. These JOHN DOE CORPORATIONS are typically organized under the laws of the state in which they conduct most or all of their business. When these JOHN DOE CORPORATIONS become identified, they will be added through amendment and served as required by law.

5. This Court has subject matter jurisdiction pursuant to the Class Action Fairness Act of 2005 (“CAFA”), 28 U.S.C. § 1332(d). The amount in controversy exceeds the sum of \$5,000,000 exclusive of interest and costs, there are more than 100 putative class members, and minimal diversity exists because many putative class members are citizens of a different state than Defendants.

6. This Court has personal jurisdiction over all Defendants because all Defendants are authorized to sell insurance in Georgia, regularly conduct business in Georgia, and have sufficient minimum contacts in Georgia. Defendants intentionally availed themselves of this jurisdiction by marketing and selling insurance products and services in Georgia, and by accepting and processing payments for those products and services within Georgia and this district.

7. Venue is proper in this Court pursuant to 28 U.S.C. §1391, because a substantial part of the events, acts and omissions giving rise to Plaintiff’s claims occurred in this District.

### **GENERAL ALLEGATIONS**

8. Farmers sells a variety of insurance products, serving insurance needs for small businesses across the nation. As a part of insurance lines Farmers offers small business insurance marketed and sold to help protect business owners from unexpected losses. Included within its standard business insurance line of products,

Farmers provides coverage for loss of business income and extra expense, also known as business interruption coverage (“BII”). BII is a product sold to businesses to cover costs of lost business income and other expenses caused by a suspension of normal operations.

9. Plaintiff is a dentistry practice in Monroe, Georgia, which provides dental care to patients throughout Walton County and middle Georgia. Plaintiff employs two dentists and five full-time staff to serve all patient populations, focusing on general and cosmetic dentistry.

10. Understanding that certain events outside its control could lead to an interruption of business and lost revenue, Plaintiff purchased a Precision Portfolio Policy Precision America Office Program from Farmers (“Policy”) in 2016 and renewed it each year thereafter, with the most recent renewal Policy Period being effective from September 9, 2019 to September 9, 2020. The initial and all renewal policies included “Business Income and Extra Expense Coverage”, “Action of Civil Authority” and “Extended Business Income.” (See **Exhibit A**, Initial Policy & 2019 Renewal declarations, attached hereto.)

11. The Precision Portfolio Policy Precision America Office Program is a standard policy form issued by Farmers in all 50 states, and does not materially differ in coverage obligations.

12. The insuring provision of the Policy is designed to pay for “direct physical loss of or physical damage to Covered Property caused by or resulting from a Covered Cause of Loss.”

13. Further, as Covered Property includes loss of Business Income, the Additional Coverages provision of the policy specifically insures, among other losses, “the actual loss of Business Income you sustain due the necessary suspension of your ‘operations’ during the ‘period of restoration.’”<sup>1</sup>

14. Additionally, the Policy provides Farmers will “pay necessary ‘extra expense’” incurred to restore a business to normal services.

15. The Policy also provides “Civil Authority” coverage, which “pay[s] for the actual loss of ‘business income’ you sustain and necessary Extra Expense caused by the action of civil authority that prohibits access to the ‘described premises’....”<sup>2</sup>

16. Finally, the Policy affords “Extended Period of Indemnity” coverage where Farmers will pay for loss of additional income after restoration and resumption of operations following a loss.

17. Unlike many commercial BII policies, Farmers’ Precision Portfolio Policy Precision America Office Program does not exclude loss caused by a virus or

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<sup>1</sup> See Ex. A, §III.A. p. 13 of 26.

<sup>2</sup> Id., § III.A.4, p. 14 of 26.

communicable disease.

### **COVID-19 BECOMES A GLOBAL PANDEMIC**

18. In late 2019, a new and significant outbreak of a severe respiratory disease (COVID-19), caused by a novel coronavirus (SARS-Cov-2), emerged in Wuhan, China.<sup>3</sup>

19. The respiratory disease caused by the novel coronavirus (“COVID-19”) is an infectious virus that can rapidly spread from person-to-person and resulted in serious illness and death across the globe.

20. On March 11, 2020, the World Health Organization declared COVID-19 to be a global pandemic.

21. In efforts to curb the spread of the virus and in response to the rapidly spreading pandemic, federal, state and local governments implemented temporary travel restrictions and guidelines advising against essential travel.

22. The Centers for Disease Control and Prevention (“CDC”) identified the potential public health threat posed by COVID-19 in the United States, and advised that the person-to-person spread of COVID-19 will continue to occur.

23. The CDC noted that COVID-19 was proliferating via "community

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<sup>3</sup> For simplicity, this Complaint refers to both as “COVID-19”.

spread," meaning people were contracting the virus as a result of direct or indirect contact with infected persons in the communities where they lived and worked, including some who are not sure how or where they became infected.

24. On March 13, 2020, President Donald Trump declared the outbreak of COVID-19 a national emergency beginning March 1, 2020.

25. In response to the COVID-19 pandemic, many state and local governments throughout the United States enacted measures to combat the ever-growing spread of the pandemic, including declarations of public health emergencies and stay at home orders.

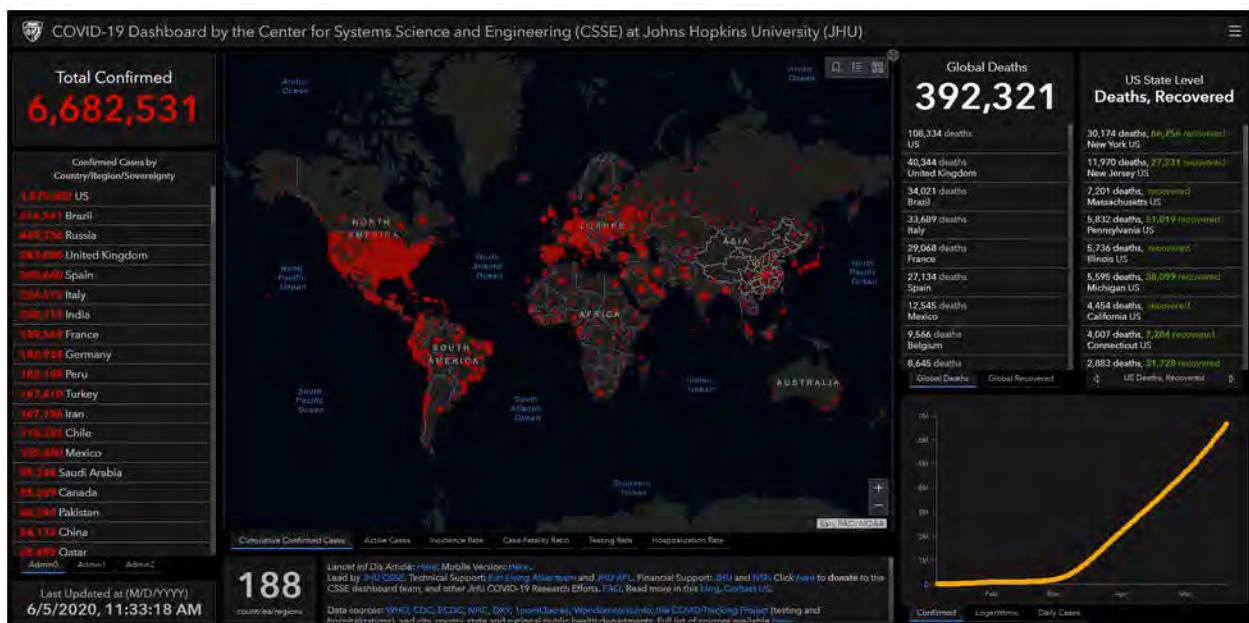
26. On March 19, 2020, California became the first state to issue a shelter in place order and many others soon followed. By April 20, 2020, at least 42 states along with a number of number of cities and counties and U.S. territories, urged their citizens to stay in their homes as much as possible, including in the following states/territories: Alabama, Alaska, Arizona, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Minnesota, Mississippi, Missouri, Montana, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Puerto Rico, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, Washington,



West Virginia and Wisconsin.

27. The *New York Times* has reported that at least 316 million Americans – about 95% of the country – were told to stay at home for several weeks, and likely longer.

28. Globally, as of June 5, 2020, there have been at least 6,682,531 confirmed cases and 392,321 deaths.<sup>4</sup> These numbers are growing each day.



<sup>4</sup> <https://coronavirus.jhu.edu/map.html> (last visited June 5, 2020).

29. The United States now leads the globe in the number of confirmed COVID-19 cases, with more than 1.8 million confirmed cases and over 106,000 deaths as a result. COVID-19 is present in every state in the nation.

### **GEORGIA IS AN EXEMPLARY STATE IMPACTED BY COVID-19**

30. In early March 2020, the Georgia Department of Public Health determined that COVID-19 “is spreading throughout communities” and laboratory testing confirmed more than sixty (60) cases of COVID-19 had surfaced in Georgia, requiring the implementation of certain restrictions to limit the spread.

31. On March 14, 2020, Georgia Governor Brian Kemp declared a Public Health State of Emergency<sup>5</sup> and, April 2, 2020 issued an Executive Order, requiring “all residents and visitors of the State of Georgia are required to shelter in place within their homes or places of residence ... taking every possible precaution to limit social interaction to prevent the spread or infection of COVID-19 to themselves or any other person....”<sup>6</sup>

32. On March 18, 2020, the Centers for Medicare and Medicaid Services (“CMS”) released recommendations on Adult Elective Surgeries and Non-Essential Medical, Surgical, and Dental Procedures During COVID-19 Response. These

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<sup>5</sup> <https://gov.georgia.gov/document/2020-executive-order/03142001/download>

<sup>6</sup> <https://gov.georgia.gov/document/2020-executive-order/04022001/download>

recommendations provided a framework for all medical providers, including dentists, to implement immediately and delay all elective surgeries, non-essential medical, surgical, and dental procures during the 2019 COVID-19 outbreak.

33. Further mandates to cancel or postpone elective and routine medical procedures were issued by bodies and licensing boards governing dental practices, including the CMS, American Dental Association (“ADA”), the American Medical Association (“AMA”).

34. Again, on April 7, 2020, in an effort to “limit exposure of patients and staff to the virus that causes COVID-19,” CMS recommended the cancellation or postponement of all non-emergent, elective treatment, and preventive medical services for patients of all ages.<sup>7</sup>

35. On April 8, 2020, the CDC issued further guidelines for dental practices related to elective and routine operations, recommending all dental facilities postpone elective procedures, surgeries, and non-urgent dental visits for the foreseeable future.<sup>8</sup> For other healthcare facilities, CDC guidelines call for the rescheduling of all non-urgent outpatient visits and elective surgeries.<sup>9</sup>

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<sup>7</sup> <https://www.cms.gov/files/document/cms-non-emergent-elective-medical-recommendations.pdf>

<sup>8</sup> <https://www.cdc.gov/oralhealth/infectioncontrol/statement-COVID.html>

<sup>9</sup> <https://www.cdc.gov/coronavirus/2019-ncov/hcp/guidance-hcf.html>

36. The shelter-in-place Orders, association bulletins, governmental guidelines and recommendations, and other health experts consistently and unflinching mandated dental practices should cancel or postpone treatment of all non-emergent patients. The goal of such measures was to prevent transmission of a known, dangerous virus deeply persistent in communities, cities, counties, and all states across the United States.

37. According to the CDC, SARS-CoV-2 is known to remain live and viable for hours up to days on “surfaces made from a variety of chemicals,” including surfaces commonly found in dentist and physician offices<sup>10</sup> and can be spread by asymptomatic members of the public.

38. In Georgia, there have been 48,894 confirmed COVID-19 cases and 2,123 individuals have perished from the first death reported on March 12, 2020 until June 3, 2020.<sup>11</sup>

39. In Walton County, Georgia, where the Plaintiff’s “scheduled premises” is located, there have been at least 273 confirmed COVID-19 cases, 49 hospitalizations and 15 deaths.<sup>12</sup>

40. As a result of the proliferation and spread of COVID-19, and due to the

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<sup>10</sup> <https://www.cdc.gov/coronavirus/2019-ncov/prevent-getting-sick/cleaning-disinfection.html>

<sup>11</sup> <https://dph.georgia.gov/covid-19-daily-status-report>, (last visited June 3, 2020.)

<sup>12</sup> Id.

resultant Declarations of Emergency, Executive Orders and local mandates requiring the public to exercise strict social distancing practices, non-emergent, routine, and elective medical procedures were halted at all dental and medical practices in the states. Accordingly, Plaintiff was forced to indefinitely suspend or reduce its dentistry practice for the foreseeable future.

41. Upon information and belief, Farmers has, on a wide-scale and uniform basis, refused to pay its insureds under its Precision Portfolio Policy for losses suffered due to the spread of COVID-19. Farmers has denied Plaintiffs' claim under their policy.

### **The Policy**

#### ***The Commercial Property Building and Personal Property Coverage Form At Issue***

42. In return for the payment of a premium, Farmers issued Policy No. PAS 12557890 to Aria Dental Group, LLC and renewed the same Policy for a policy period beginning of September 9, 2019 to September 9, 2020.

43. Plaintiff has performed all of its obligations under the Farmers Policy, including payment of all premiums and submission of a claim.

44. Among other coverages, the Plaintiff's coverages include Loss of Business Income, Civil Authority, and Extra Expense due to the shutdown caused

by COVID-19.

45. The Policy is an all-risk policy. This type of policy covers all risks of loss except for those expressly and specifically excluded. Here, Farmers provides it will “pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.”

46. A “Covered Cause of Loss” is defined in the insurance contract as a “RISK OF DIRECT PHYSICAL LOSS OR DAMAGE” subject to various exclusions and limitations.

47. Farmers did not exclude or limit coverage for losses from viruses for communicable diseases.

48. Losses due to COVID-19 are a Covered Cause of Loss under Farmers’ policies.

49. Section III (**Additional Coverages**) of the Policy provides Farmers contractually agreed to:

pay for the actual loss of “business income” you sustain due to the necessary suspension of "operations" during the "period of restoration," but not to exceed 12 consecutive months. The suspension must be caused by direct physical loss of or damage to property at the "described premises", including personal property in the open, or in a vehicle, within 1000 feet, caused by or resulting from a Covered Cause of Loss.

50. Business Income under the policy is defined as “1. Net Income (Net

Profit or Loss before income taxes) that would have been earned or incurred; and 2. Continuing normal operating expenses incurred, including payroll if there had been no direct physical loss or damage.”

51. Relative to the physical loss or damage requirement under the Policy, the presence of a dangerous virus or disease is known to be a physical loss or damage, as the insurance industry has recognized since at least 2006. When preparing so-called “virus” exclusions to be placed in some policies, but not others, the insurance industry drafting arm, Insurance Services Office, Inc. (“ISO”), circulated a statement to state insurance regulators which included the following:

Disease-causing agents may render a product impure (change its quality or substance), or enable the spread of disease by their presence on interior building surfaces or the surfaces of personal property. When disease-causing viral or bacterial contamination occurs, potential claims involve the cost of replacement of property (for example, the milk), cost of decontamination (for example, interior building surfaces), and business interruption (time element) losses. *Although building and personal property could arguably become contaminated (often temporarily) by such viruses and bacteria, the nature of the property itself would have a bearing on whether there is actual property damage.* An allegation of property damage may be a point of disagreement in a particular case.<sup>13</sup>

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<sup>13</sup>See ISO Circular LI-CF\_2006-175, July 6, 2006, available at <https://www.propertyinsurancecoveragelaw.com/files/2020/03/ISO-Circular-LI-CF-2006-175-Virus.pdf> (emphasis added).

52. Contrary to the denial made in this case, the insurance industry has recognized broad pollution or contamination exclusions do not limit or exclude coverage related to viruses or bacteria, thus creating the need for specific endorsements necessary to exclude loss due to virus or bacteria.

53. Farmers also agreed to pay necessary “Extra Expense” incurred by its insureds during the period of time the business would not have incurred “if there had been no direct physical loss or damage to property.”

54. “Extra Expense” includes, among other items, expense incurred “to avoid or minimize the suspension of business and continue ‘operations.’”

55. Farmers further agreed to pay the “actual loss of Business Income...caused by action of civil authority that prohibits access to the ‘described premises’ due to direct physical loss of or damage to property.”

56. Losses caused by COVID-19 and related orders issued by local, state, and federal authorities, triggered the Business Income and Extra Expense and Civil Authority provisions of Farmers’ policy.



***COVID-19 Is A Covered Cause of Loss Under Standard and Uniform Policy Language***

57. The spread of COVID-19, and the corresponding orders and mandates from civil authorities throughout the country requiring the suspension of businesses like Plaintiffs' and the putative class members, constitutes damage to the premises and a loss that is covered under Farmers' policy.

58. The presence of COVID-19 is the cause of "direct physical loss" and "damage" to those premises covered under Plaintiff's policy, and the policies of other Class members, by denying use of and damage to the "described premises" and by the involuntary suspension of all non-emergent business operations.

59. In response to COVID-19, the federal government, the WHO, the CDC, State governing authorities, the AMA, and the ADA all decided to prohibit access to Plaintiff's and other class members' premises, thus suspending their normal business activities.

60. As a result of the presence of COVID-19 and the orders of civilian authorities, Plaintiff and the other Class members lost Business Income and incurred Extra Expense. Indeed, the Georgia Dental Association reports that an ADA survey of dentists shows the typical dental office is seeing less than 5% of its normal patient

volume.<sup>14</sup>

61. On April 7, 2020, Dr. Alex Podebryi, on behalf of Plaintiff, submitted a proof of loss to Farmers, claiming loss of Business Income for closures due to COVID-19 and corresponding shelter-in-place orders put in place by order of civil authorities. Dr. Podebryi, on behalf of Plaintiff, spoke with Farmers' representative Gregory Watts the same day, where Farmers verbally denied Plaintiff's claim. Farmers' representative Mr. Watts informed Plaintiff that Farmers was denying all claims related to business interruption under the Precision Portfolio Policy. Two days later, Farmers officially denied Plaintiff's claim by letter. (See **Exhibit B**, attached hereto.) As a basis for denying coverage under the policy, Farmers maintained "there is no coverage found in your policy package for business interruption as there is no direct physical loss or damage to property at the described premises from a covered cause of loss."

62. Farmers further claimed that while a government shutdown of Plaintiff's business was in effect pursuant to civil authority for containment of COVID-19, "access to the described premises was not prohibited due to direct physical loss of or damage to property from a covered cause of loss."

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[https://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIbrief\\_0420\\_1.pdf?la=en](https://www.ada.org/~media/ADA/Science%20and%20Research/HPI/Files/HPIbrief_0420_1.pdf?la=en)

63. Upon information and belief, Farmers has, on a wide-scale basis with many if not all of its insureds, refused to provide coverage under the Policy for Business Income losses due to COVID-19.

64. Given the rapid denial of such claims, Farmers has failed to adequately investigate the factual occurrence of the Plaintiff's and other Class members' claims, instead issuing an automated blanket denial of all claims, which is contrary to the Policy language.

65. If left unchecked, Farmers will continue to deny coverage under the Precision Portfolio Policy, even as governing State and Federal authorities recognize the impropriety of such denials.<sup>15</sup>

66. Farmers' basis for denial – that COVID-19 does not constitute “direct physical loss or damage” and thus is not covered under the policy – is in direct contravention of the vast majority of cases in the United States and insurance industry standards, where it is commonly accepted that “physical damage to the property is not necessary, at least where the building in question has been rendered unusable by physical forces.” *TRAVCO Ins. Co. v. Ward*, 715 F.Supp.2d 699, 708

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<sup>15</sup> CNBC, “Insurers are Denying Coronavirus Claims. Restaurants are Fighting back,” (last visited May 5, 2020), <https://www.cnbc.com/2020/04/20/insurers-are-denying-coronavirus-claims-restaurants-are-fighting-back.html> (“I would like to see the insurance companies pay if they need to pay, if it's fair. And they know what's fair. And I know what's fair,” Trump told reporters on Tuesday during his daily coronavirus task force briefing.”).

(E.D.Va. 2010), *aff'd*, 504 F. App'x 251 (4th Cir. 2013). Moreover, the insurance industry commonly recognizes imminent threat of release of a dangerous substance, thus rendering a premises useless, constitutes physical loss or damage. *Port Authority of New York & New Jersey v. Affiliated FM Insurance Co.*, 311 F.3d 226, 236 (3d Cir.2002); *Motorists Mut. Ins. Co. v. Hardinger*, 131 F. App'x 823 (3d Cir. 2005) (well contaminated by e-coli rendered property useless or uninhabitable, thus constituting physical loss or damage); *Sentinel Mgmt Co. v. New Hampshire Ins. Co.*, 563 N.W.2d 296 (Minn. 1997); *Western Fire Ins. Co. v. First Presbyterian Church*, 437 P.2d 52 (Colo.1968) (gas fumes constituted a physical loss); *Farmers Ins. Co. v. Trutanich*, 123 Or. App. 6, 858 P.2d 1332 (1993) (infiltration of premises by methamphetamine fumes constituted a physical loss); *Oregon Shakespeare Festival Ass'n v. Great Am. Ins. Co.*, 2016 WL 3267247, at \*9 (D. Ore. June 7, 2016) (air quality due to wildfires rendered property uninhabitable and unusable for its intended purpose”).

67. In issuing blanket denials resulting from the spread of COVID-19, Farmers is breaching its contractual obligation with its insureds, who are entitled to the coverages afforded by the uniform language of the Precision Portfolio Policy they have.

68. Dentists and physicians, called upon as a first-line defense against the

COVID-19 outbreak to keep the public safe and protected, could not perform non-essential elective medical procedures or see their patients on a regularly scheduled basis, which is the lifeblood for any dental or medical practice.

69. As a result of government mandated restrictions, many dental and medical practices have been forced to shut down and lay off staff. Now more than ever, insured practices who have paid insurance premiums for specifically designed policies to cover interruptions are entitled to the coverage for which they paid.

### **CLASS ACTION ALLEGATIONS**

70. The Class Member policies at issue in this case were issued as uniform, standard policies containing the same or substantially similar language which provides an all risk policy of insurance against the losses alleged in this case.

71. The Class Member policies at issue in this case do not vary substantially from policy holder to policy holder.

72. The Class Member policies at issue in this case do not exclude viruses or communicable diseases.

73. Pursuant to Fed. R. Civ. P. 23(b)(2) and (b)(3), as applicable, and (c)(4), Plaintiffs seek class certification of the following nationwide class (the “Nationwide Class” or the “Class”):

**NATIONWIDE CLASS**

**All natural persons and/or dental practice groups in the United States who purchased from Defendants a Precision Portfolio Policy of insurance with Business Income, Civil Authority or Extra Expense coverage who were subject to federal recommended guidelines or state directives to limit, suspend or cancel non-emergent and elective procedures during the COVID-19 pandemic.**

The Nationwide Class asserts claims against Farmers for Breach of Contract for Business Income coverage (Count I), Breach of Contract for Civil Authority Coverage (Count II), Breach of Contract for Extra Expense Coverage (Count III), and Declaratory Relief (Count IV).

74. Pursuant to Fed. R. Civ. P. 23 (b)(2) and (b)(3), as applicable, and (c)(4), Plaintiffs seek certification of state-by-state claims in the alternative to the nationwide claims breach of contract claims brought under Georgia common law (the “Statewide Subclasses”), defined as follows:

**STATEWIDE [NAME OF STATE OR TERRITORY] SUBCLASS**

**All natural persons and/or dental practice groups residing in [same of state or territory] who purchased from Defendants a Precision Portfolio Policy of insurance with Business Income, Civil Authority or Extra Expense coverage who were subject to federal recommended guidelines or state directives to limit, suspend or cancel non-emergent and elective procedures during the COVID-19 pandemic.**

The Alternative Subclasses assert claims against Farmers for Breach of Contract for Business Income Coverage (Count 1), Breach of Contract for Civil

Authority Coverage (Count II), Breach of Contract for Extra Expense Coverage (Count III), and Declaratory Relief (Count IIV).

75. Excluded from the Class are Defendant, any entity in which Defendant has a controlling interest, and Defendants' officers, directors, legal representatives, successors, subsidiaries, and assigns. Also excluded from the Class are any judicial officers presiding over this matter, members of their immediate family, and members of their judicial staff, and any Judge sitting in the presiding court system who may hear an appeal of any judgment entered.

76. Plaintiff reserves the right to amend or modify the Class definition with greater specificity or division after having had an opportunity to conduct discovery.

77. The Class meets the criteria for certification under Rule 23(a), 23(b)(2), 23(b)(3) and 23(c)(4).

78. **Numerosity. Fed. R. Civ. P. 23(a)(1).** The members of each Class and Subclass are so numerous and geographically dispersed that the joinder of all members is impractical. The exact number of class members is unknown to Plaintiffs at this time but may be ascertained through Defendants' records. Based on the large number of Precision Portfolio policies issued by Defendants, and the blanket denials of all claims related to business loss occasioned by COVID-19, the Class likely comprises tens of thousands of members geographically dispersed throughout the

United States. Affected entities' and individual insured's names and addresses are available from Defendants' records, and class members may be notified of the pendency of this action by recognized, court-approved notice dissemination methods, which may include electronic mail, U.S. Mail, internet notice, and/or published notice.

79. **Commonality and Predominance: Fed. R. Civ. P. 23(a)(2) and (b)(3).** As to each Class and Subclass, this action involves common questions of law and fact which predominate over any questions affecting individual class members. The terms of Farmers' coverage, exclusions and limitations related to the Precision Portfolio Policy are uniform for those contained within the proposed class, and Farmers breached the terms of those contracts pursuant to a uniform policy of denying all loss of business income claims related to COVID-19. Common questions of law and fact include, but are not limited to:

- a. Whether Defendants' conduct breaches its Contract of Insurance;
- b. Whether the spread of COVID-19 constitutes physical loss or damage to covered premises so as to trigger coverage for loss of Business Income and Extra Expense under Defendants' Precision Portfolio insurance policy;



- c. Whether Plaintiff and members of the Class are entitled to damages, costs, or attorneys' fees from Defendants; and
- d. Whether Plaintiff and members of the Class are entitled to compensatory damages.

80. **Typicality. Fed. R. Civ. P. 23(a)(3).** As to each Class and Subclass, Plaintiff's claims are typical of other Class members' claims because Plaintiff and members of the Class were subjected to the same unlawful conduct and damaged in the same way. Defendants' conduct that gave rise to the claims of Plaintiff and other Class members (*i.e.*, denying coverage for a covered loss) is the same for all members of the Class.

81. **Adequacy. Fed. R. Civ. P. 23(a)(4).** As to each Class and Subclass, Plaintiff is an adequate representative of the Class because Plaintiff is a member of the Class and is committed to pursuing this matter against Defendants to obtain relief for the Class. Plaintiff has no conflict of interest with the Class. Plaintiff's counsel are competent and experienced in litigating class actions, including extensive experience in litigating consumer claims. Plaintiff intends to vigorously prosecute this case and will fairly and adequately protect the interests of the Class.

82. **Declaratory and Injunctive Relief: Fed. R. Civ. P. 23(b)(2).** As to each Class and Subclass, the prosecution by separate actions by individual Class

members would create a risk of inconsistent or varying adjudications with respect to individual Class members that would establish incompatible standards of conduct for Farmers. Such individual actions would create a risk of adjudications that would be dispositive of the interests of other Class members and impair their interests. Farmers has acted and/or refused to act on grounds generally applicable to the Class, making final injunctive relief or corresponding declaratory relief appropriate. Class certification is also appropriate under Rule 23(b)(2) and (c). Defendants, through its uniform conduct, acted or refused to act on grounds generally applicable to the Class as a whole, making injunctive and declaratory relief appropriate to the Class as a whole. Moreover, Defendants continue to deny claims for covered losses for loss of Business Income resulting from continuing interruptions to their insured's businesses, thus making declaratory relief a live issue and appropriate to the Class as a whole.

83. **Superiority: Fed. R. Civ. P. 23(b)(3).** A class action is superior to any other available means for the fair and efficient adjudication of this controversy, and no unusual difficulties are likely to be encountered in the management of this class action. The purpose of the class action mechanism is to permit litigation against wrongdoers even when damages to individual plaintiffs and class members may not be sufficient to justify individual litigation. Here, the damages suffered by Plaintiff

and the Class members are relatively small compared to the burden and expense required to individually litigate their claims against Defendants, and thus, individual litigation to redress Defendants' wrongful conduct would be impracticable. Individual litigation by each Class member would also strain the court system. Moreover, individual litigation creates the potential for inconsistent or contradictory judgments and increases the delay and expense to all parties and the court system. By contrast, the class action device presents far fewer management difficulties and provides the benefits of a single adjudication, economies of scale, and comprehensive supervision by a single court.

84. Plaintiff alleges that, based on Defendants' denial of thousands of claims for loss of Business Income, Civil Authority coverage, and Extra Expense coverage due to the spread of COVID-19 and corresponding shelter-in-place orders, the total claims of individual Class Members in this action exceed \$5,000,000.00 in the aggregate, exclusive of interest and costs.

## **COUNT I**

### **BREACH OF CONTRACT – BUSINESS INCOME COVERAGE**

85. Plaintiff realleges and incorporate Paragraphs 1 - 84, as if fully set forth herein.

86. Plaintiff brings this Count individually and on behalf of the other members of the proposed Class and Alternative Subclasses.

87. Plaintiff's insurance policy, as well as those of the other Business Income Class members, are contracts under which Farmers was paid premiums in exchange for its promise to pay Plaintiff's and the other Business Income Class members' losses for claims covered by the policy, which does not expressly exclude virus' and/or communicable diseases from coverage.

88. Farmers agreed to pay for insureds' actual loss of Business Income sustained due to the necessary suspension of practice caused by direct physical loss of or physical damage to property at the scheduled premises.

89. Farmers agreed to pay for loss of Business Income that occurs within 12 consecutive months after the date of direct physical loss or damage.

90. "Business Income" means "1. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and 2. Continuing normal operating expenses incurred, including payroll if there had been no direct physical loss or damage."

91. COVID-19 caused direct physical loss and damage to Plaintiffs' and the other Business Income Class members' Scheduled Premises, requiring suspension of practice at their Scheduled Premises. Losses caused by COVID-19

thus triggered the Business Income provision of Plaintiffs' and the other Business Income Class members' insurance policies with Farmers.

92. Plaintiff and the other Business Income Class members have complied with all applicable provisions of their policies and/or those provisions have been waived by Farmers, or Farmers is estopped from asserting them, and yet Farmers has abrogated its insurance coverage obligations pursuant to the Policies' clear and unambiguous terms.

93. By denying coverage for any Business Income losses incurred by Plaintiff and the other class members in connection with the COVID-19 pandemic, Farmers has breached its coverage obligations under the Policy.

94. As a result of Farmers breaches of the Policy, Plaintiff and the other Business Income Class members have sustained substantial damages for which Farmers is liable, in an amount to be established at trial.

## **COUNT II**

### **BREACH OF CONTRACT – CIVIL AUTHORITY COVERAGE**

95. Plaintiff realleges and incorporate Paragraphs 1 – 84, as if fully set forth herein.

96. Plaintiff bring this Count individually and on behalf of the Class or Alternative Subclasses.

97. Plaintiff's insurance policy, as well as those of the other Civil Authority Class members, are contracts under which Farmers was paid premiums in exchange for its promise to pay Plaintiff's and the other Civil Authority Class members' losses for claims covered by the policy, which does not expressly exclude virus and/or communicable diseases from coverage.

98. Farmers promised to pay "the actual loss of Business Income" that a policyholder sustains which are "caused by action of civil authority that prohibits access to the 'described premises'."

99. The shelter-in-place orders and mandates by relevant civil authorities triggered the Civil Authority provision under Plaintiff's and the other members of the Civil Authority Class's insurance policies with Farmers.

100. Plaintiff and the other members of the Civil Authority Class have complied with all applicable provisions of the Policies and/or those provisions have been waived by Farmers and Farmers is estopped from asserting them, and yet Farmers has abrogated its insurance coverage obligations pursuant to the Policies' clear and unambiguous terms.

101. By denying coverage for any practice losses incurred by Plaintiff and other members of the Civil Authority Class in connection with the COVID-19 pandemic, Farmers has breached its coverage obligations under the Policy.

102. As a result of Farmers' breaches of the Policy, Plaintiff and the other members of the Civil Authority Class have sustained substantial damages for which Farmers is liable, in an amount to be established at trial.

### **COUNT III**

#### **BREACH OF CONTRACT – EXTRA EXPENSE COVERAGE**

103. Plaintiff realleges and incorporates Paragraphs 1 – 102, as if fully set forth herein.

104. Plaintiff brings this Count individually and on behalf of the Class or Alternative Subclasses.

105. Plaintiff's insurance policy, as well as those of the other Extra Expense Class members, are contracts under which Farmers was paid premiums in exchange for its promise to pay Plaintiff's and the other Extra Expense Class members' losses for claims covered by the policy, which does not expressly exclude virus and/or communicable diseases from coverage.

106. Farmers also agreed to pay necessary Extra Expense that its insureds incurred during the “period of restoration” “resulting from a Covered Cause of Loss.”

107. “Extra Expense” means, in pertinent part, “expenses necessarily incurred by a policyholder to “[a]void or minimize the suspension of business and continue ‘operations’ ... [;] Minimize the suspension of business if you cannot continue operations; [and] Repair or replace any property....”

108. Due to COVID-19, Plaintiffs and the other members of the Extra Expense Class incurred Extra Expense at scheduled premises.

109. Plaintiff and the other members of the Extra Expense Class have complied with all applicable provisions of their policies and/or those provisions have been waived by Farmers or Farmers is estopped from asserting them, and yet Farmers has abrogated its insurance coverage obligations pursuant to the policies’ clear and unambiguous terms.

110. By denying coverage for any business losses incurred by Plaintiff and the other members of the Extra Expense Class in connection with the COVID-19 pandemic, Farmers has breached its coverage obligations under the policies.

111. As a result of Farmers’ breaches of the policies, Plaintiff and other



members of the Extra Expense Class have sustained substantial damages for which Farmers is liable, in an amount to be established at trial.

#### **COUNT IV**

#### **DECLARATORY JUDGMENT**

#### **(BUSINESS INCOME AND EXTRA EXPENSE, AND/OR CIVIL AUTHORITY COVERAGE)**

112. Plaintiff realleges and incorporates Paragraphs 1 – 111, as if fully set forth herein.

113. Plaintiff brings this Count individually and on behalf of the other members who purchased Business Income and Extra Expense, and Civil Authority Coverage.

114. Plaintiff's insurance policy, as well as those of the Class members, are contracts under which Farmers was paid premiums in exchange for its promise to pay Plaintiff's and the other Class members' losses for claims covered by the Policy.

115. Plaintiff and the Class members have complied with all applicable provisions of the Policies and/or those provisions have been waived by Farmers or Farmers is estopped from asserting them, and yet Farmers has abrogated its insurance coverage obligations pursuant to the Policies' clear and unambiguous

terms and has wrongfully and illegally refused to provide coverage to which Plaintiff and other members of the Class are entitled.

116. Farmers has denied claims related to COVID-19 on a uniform and class wide basis, without individual bases or investigations, such that the Court can render declaratory judgment irrespective of whether members of the Class have filed a claim.

117. An actual case or controversy exists regarding Plaintiff's and the other Class members' rights and Farmers' obligations under the Policies to reimburse them for the full amount of Business Income losses, Civil Authority losses, and Extra Expense losses in connection with suspension of their practices stemming from the COVID-19 pandemic.

118. Pursuant to 28 U.S.C. § 2201, Plaintiff and the other Class members seek a declaratory judgment from this Court declaring the following:

- i. Business Income losses incurred in connection with the necessary interruption of their practices stemming from the COVID-19 pandemic, are insured losses under their policies;
- ii. Extra Expense losses incurred in connection with the necessary interruption of their practices stemming from the COVID-19 pandemic, are insured losses under their policies;
- iii. Civil Authority losses incurred in connection with the necessary interruption of their practices stemming from the COVID-19 pandemic, are insured losses under their policies; and

- iv. Farmers is obligated to pay Plaintiff and the other Class members for the full amount of the Business Income and Extra Expense, and Civil Authority losses incurred and to be incurred in connection with the period of restoration and the necessary interruption of their practices stemming from the COVID-19 pandemic.

### **REQUEST FOR RELIEF**

**WHEREFORE**, Plaintiff, individually and on behalf of the other Class members, respectfully requests that the Court enter judgment in its favor and against Defendants as follows:

- a. Entering an order certifying the proposed Nationwide Class, or as Alternative Subclasses as requested herein, designating Plaintiff as Class representative, and appointing Plaintiff's undersigned attorneys as Counsel for the Classes;
- b. Entering judgment on Counts I-III in favor of Plaintiff and the members of the Business Income Class, the Civil Authority Class, and the Extra Expense Class; and awarding damages for breach of contract in an amount to be determined at trial;
- c. Entering declaratory judgments on Count IV in favor of Plaintiff and the members of the Class as requested;
- d. Ordering Defendants to pay both pre- and post-judgment interest on

any amounts awarded;

- e. Ordering Defendant to pay attorneys' fees and costs of suit; and
- f. Ordering such other and further relief as may be just and proper.

**JURY DEMAND**

Plaintiff, individually, and on behalf of the Class of all others similarly situated, hereby demands a trial by jury on all issues so triable pursuant to Rule 38 of the Federal Rules of Civil Procedure.

Dated: June 12, 2020

Respectfully submitted,

/s/Roy E. Barnes

Roy E. Barnes  
Ga. Bar. No. 039000  
John R. Bevis  
Ga. Bar No. 056110  
Mark D. Meliski  
Ga. Bar No. 501198  
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*/s/Nick Martin*

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Nick Martin

Ga. Bar. No. 168722

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*Counsel for Plaintiffs and the Proposed  
Class*

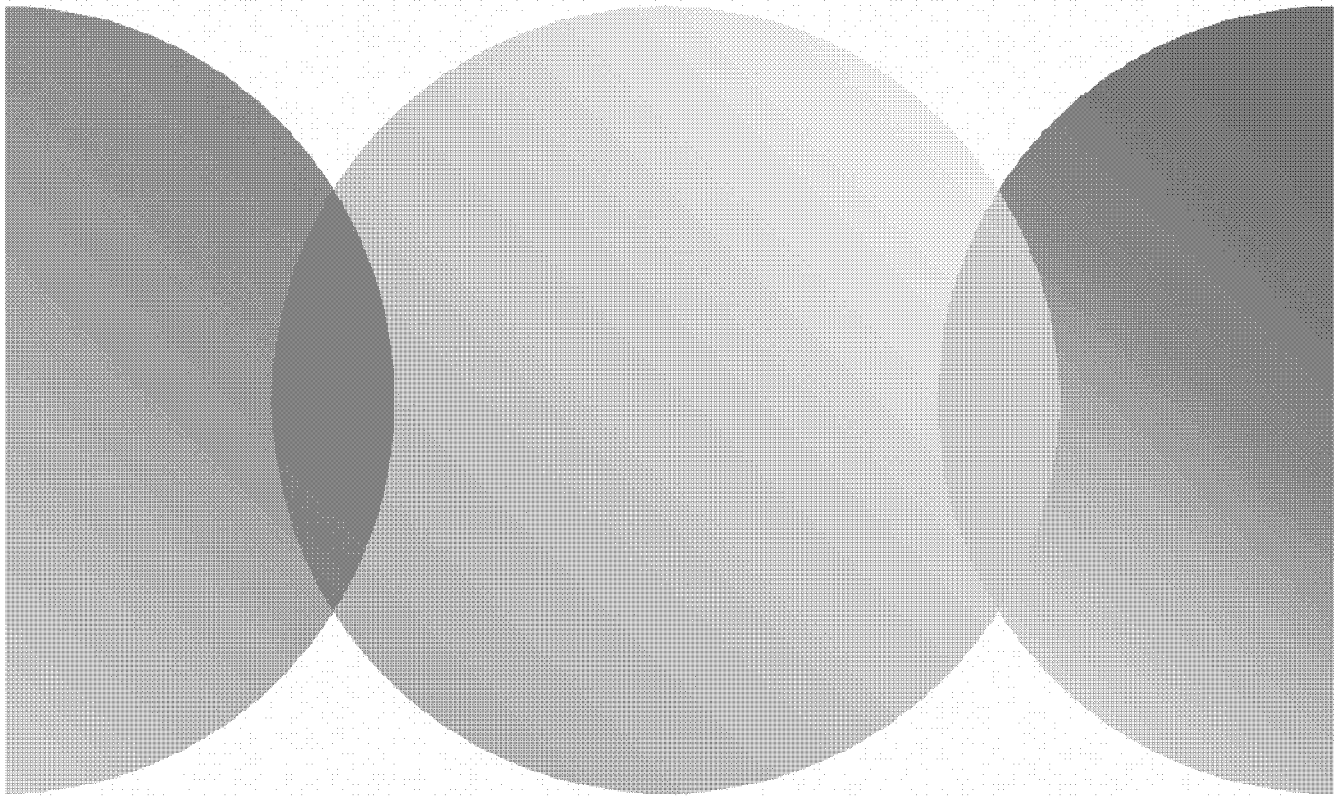
# **EXHIBIT A**

Initial Policy & 2019 Renewal Declarations



# Small business policy

## Foremost Insurance Company



**THIS DISCLOSURE 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.**

## **DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT**

### **SCHEDULE**

<b>SCHEDULE – PART I</b>	
Terrorism Premium (Certified Acts) \$	<b>72.00</b>
<b>SCHEDULE – PART II</b>	
Federal share of terrorism losses	<u>84</u> % Year: 20 <u>16</u>
(Refer to Paragraph <b>B.</b> in this endorsement.)	
Federal share of terrorism losses	<u>83</u> % Year: 20 <u>17</u>
(Refer to Paragraph <b>B.</b> in this endorsement.)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

#### **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 Treasury.



# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name ARIA DENTAL GROUP, LLC	Policy Number PAS 12557890	Effective Date 09/09/2016	Endorsement Number
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**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies your insurance:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

## 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 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, injury or damage 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.

## **Notice to Our Customers**

### **MySafetyPoint - Loss Control Services**

When you purchase insurance from Foremost Insurance Group you are insured by one of the leading insurance carriers. We are always working to improve our products and offer our agents and their clients a little extra. This notice is to advise you of a new offering we hope you will find helpful in your business. We joined forces with our Loss Control team to develop a new service called MySafetyPoint - Loss Control Services. MySafetyPoint - Loss Control Services is a program designed to give you valuable information on risk improvement and loss prevention. By using basic policy information you provided, we are able to generate industry specific loss prevention suggestions including, exposure information, major causes of loss and recommendations to prevent losses.

The document is a detailed report, which identifies causes of loss and discusses possible control strategies you can immediately use in your business. Implementing some of the suggestions has the potential to lead to less workplace accidents and less employee time off.

This service is provided free of charge and available from your agent. Please contact them and they will be able to print or email the document to you. Your agent has also received a notice, asking that they contact you. Make sure you're in contact with your agent to examine the document.

We urge you to take advantage of this service. We are certain you will find this program is a value added feature.

Contact your agent to find out more about MySafetyPoint - Loss Control Services.

The information provided through this service is compiled from sources believed to be reliable. We make no guarantee of results and assume no liability in connection with the information, methods or safety suggestions offered. Moreover, Foremost Insurance Group reminds you that this service cannot be assumed to contain every acceptable safety and compliance procedure or that additional procedures might not be required by abnormal or unusual circumstances.

## PRECISION PORTFOLIO POLICY INDEX

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### YOUR POLICY CONSISTS OF THE FOLLOWING SECTIONS AND COVERAGE PARTS:

#### Common Policy Materials

- Common Declarations
- Supplemental Declarations, if necessary
- Common Policy Conditions
- Common Policy Forms and Endorsements, if necessary

#### Commercial Property Coverage Part

- Property Declarations
- Building and Personal Property Schedule
- Special Schedules of Property, if necessary
- Supplemental Declarations, if necessary
- Building and Personal Property Coverage Form
- Commercial Crime Coverage Form
- Commercial Property Endorsements, if necessary

#### Commercial General Liability Coverage Part

- Commercial General Liability Declarations
- General Liability Schedule
- Supplemental Declarations, if necessary
- Commercial General Liability Coverage Form
- Commercial General Liability Endorsements, if necessary

#### Forms and Endorsements Applicable (list)

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS NEW BUSINESS EFF 09/09/2016



**FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI  
COMMON POLICY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

This policy consists of the declarations as well as the coverage forms and endorsements listed on the Forms and Endorsements Applicable List.

NAMED INSURED AND MAILING ADDRESS
ARIA DENTAL GROUP, LLC 2120 W SPRING ST SUITE 1100 MONROE GA 30655

AGENCY NAME AND SERVICING ADDRESS
MURAD MEHERALLY 2227 DULUTH HWY STE 102 DULUTH GA 30097-4080 (678) 222-1214

BRANCH NAME AND SERVICING ADDRESS
GRAND RAPIDS PO Box 2248 Grand Rapids, MI 49501-2248

POLICY PERIOD	
<b>FROM</b> 09/09/2016 <b>12:01 A.M.</b>	<b>TO</b> 09/09/2017 <b>12:01 A.M.</b>
Standard Time At Your Mailing Address Shown Above	

<b>BUSINESS ENTITY:</b> LTD LIABILITY
<b>BUSINESS DESCRIPTION:</b> MEDICAL OFFICES

POLICY PREMIUMS	
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.	
This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.	
	<b>PREMIUM</b>
COMMERCIAL PROPERTY AND GENERAL LIABILITY	\$ 3,573.00
EMPLOYMENT PRACTICES LIABILITY COVERAGE	\$ 98.00
PERSONAL LINES DISCOUNT	\$ 173.00-
PREMIUM SIZE CREDIT	\$ 70.00-
TERRORISM PREMIUM	\$ 72.00
<b>TOTAL ANNUAL PREMIUM</b>	<b>\$ 3,500.00</b>

Countersigned by _____	_____
Authorized Representative	Date

Includes copyrighted material of ISO Properties, Inc., with its permission.  
Copyright, ISO Properties, Inc., 2001

09/08/2016

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS			NEW BUSINESS EFF 09/09/2016	



**SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
COMMON	COMMON POLICY DECLARATIONS
U-CL-D-100-A CW 0604	RETAINED MINIMUM PREMIUM Commercial Property & Commercial General Liability - \$100

## 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.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GEORGIA CHANGES - CANCELLATION AND NONRENEWAL**

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  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

**A. Paragraph A.1. of the Cancellation Common Policy Condition is replaced by the following:**

**1.** The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation stating a future date on which the policy is to be cancelled, subject to the following:

- a.** If only the interest of the first Named Insured is affected, the effective date of cancellation will be either the date we receive notice from the first Named Insured or the date specified in the notice, whichever is later. However, upon receiving a written notice of cancellation from the first Named Insured, we may waive the requirement that the notice state the future date of cancellation, by confirming the date and time of cancellation in writing to the first Named Insured.
- b.** If by statute, regulation or contract this policy may not be cancelled unless notice is given to a governmental agency, mortgagee or other third party, we will mail or deliver at least 10 days notice to the first Named Insured and the third party as soon as practicable after receiving the first Named Insured's request for cancellation.

Our notice will state the effective date of cancellation, which will be the later of the following:

- (1)** 10 days from the date of mailing or delivering our notice, or
- (2)** The effective date of cancellation stated in the first Named Insured's notice to us.

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

**5. Premium Refund**

- a.** If this policy is cancelled, we will send the first Named Insured any premium refund due.
- b.** If we cancel, the refund will be pro rata, except as provided in **c.** below.
- c.** If the cancellation results from failure of the first Named Insured to pay, when due, any premium to us or any amount, when due, under a premium finance agreement, then the refund may be less than pro rata. Calculation of the return premium at less than pro rata represents a penalty charged on unearned premium.
- d.** If the first Named Insured cancels, the refund may be less than pro rata.
- e.** The cancellation will be effective even if we have not made or offered a refund.



**C.** The following is added to the **Cancellation** Common Policy condition and supersedes any other provisions to the contrary:

If we decide to:

1. Cancel or nonrenew this policy; or
2. Increase current policy premium by more than 15% (other than any increase due to change in risk, exposure or experience modification or resulting from an audit of auditable coverages); or
3. Change any policy provision which would limit or restrict coverage;

Then:

We will mail or deliver notice of our action (including the dollar amount of any increase in renewal premium of more than 15%) to the first Named Insured and lienholder, if any, at the last mailing address known to us. Except as applicable as described in Paragraph **D.** below, we will mail or deliver notice at least:

1. 10 days before the effective date of cancellation if this policy has been in effect less than 60 days or if we cancel for nonpayment of premium; or
2. 45 days before the effective date of cancellation if this policy has been in effect 60 or more days and we cancel for a reason other than nonpayment of premium; or
3. 45 days before the expiration date of this policy if we decide to nonrenew, increase the premium or limit or restrict coverage.

**D.** The following provisions apply to insurance covering residential real property only provided under the:

Capital Assets Program (Output Policy) Coverage Part;

Commercial Property Coverage Part;

Farm Coverage Part;

If the named insured is a natural person.

With respect to such insurance, the following is added to the **Cancellation** Common Policy Condition and supersedes any provisions to the contrary:

1. When this policy has been in effect for 60 days or less and is not a renewal with us, we may cancel for any reason by notifying the first Named Insured at least 10 days before the date cancellation takes effect.
2. When this policy has been in effect for more than 60 days, or at any time if it is a renewal with us, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium, whether payable to us or to our agent;
  - b. Upon discovery of fraud, concealment of a material fact, or material misrepresentation made by or with the knowledge of any person insured under this policy in obtaining this policy, continuing this policy or presenting a claim under this policy;
  - c. Upon the occurrence of a change in the risk which substantially increases any hazard insured against; or
  - d. Upon the violation of any of the material terms or conditions of this policy by any person insured under this policy.

We may cancel by providing notice to the first Named Insured at least:

- 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- 45 days before the effective date of cancellation if we cancel for any of the reasons listed in **b.**, **c.** or **d.** above.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

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 "byproduct material".

"Source material", "special nuclear material", and "byproduct 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 "byproduct 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 selfsupporting chain reaction or to contain a critical mass of fissionable material.

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

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS			NEW BUSINESS EFF 09/09/2016			



**PRECISION PORTFOLIO POLICY  
COMMERCIAL PROPERTY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

For descriptions of premiums, see the attached buildings and personal property schedule.

Insurance at the described premises applies only for coverage for which a limit of insurance is shown. These may be found in this declarations and the attached schedules.

PRIMARY PROPERTY COVERAGES	DEDUCTIBLE	LIMITS
BLANKET PERSONAL PROPERTY	\$1,000	\$1,000,000
PEAK SEASON PERSONAL PROPERTY INCREASE	NONE	50% OF LIMIT
ADDITIONAL COVERAGES	DEDUCTIBLE	LIMITS
ACCOUNTS RECEIVABLE*	NONE	\$25,000
ANTENNAE AND SATELLITES*	\$1,000	\$1,000
BI & EE - DEPENDENT PROPERTIES - 30 DAYS	NONE	ACTUAL LOSS SUSTAINED
BI & EE - NEWLY ACQUIRED PROPERTIES - 180 DAYS	NONE	\$250,000
LOSS OF BUSINESS INCOME (BI) AND EXTRA EXPENSE (EE) - 12 MOS	NONE	ACTUAL LOSS SUSTAINED
DEBRIS REMOVAL - EACH LOCATION	NONE	\$10,000
DEFERRED PAYMENTS	NONE	\$5,000
EDP EQUIPMENT AND MEDIA - BLANKET*	\$1,000	\$10,000
EMPLOYEE DISHONESTY*	NONE	\$10,000
FINE ARTS - BLANKET*	\$1,000	\$10,000
FIRE DEPARTMENT SERVICE CHARGE	NONE	\$10,000
FIRE EXTINGUISHING EQUIPMENT RECHARGE	NONE	\$1,000
FORGERY OR ALTERATION*	NONE	\$10,000
FREE-STANDING FENCES & WALLS*	\$1,000	\$2,500

\* The limits for these coverages may be increased. Contact your agent.

**COMMERCIAL PROPERTY**

9S1016 Ed. 3-00

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09/08/2016

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS

NEW BUSINESS EFF 09/09/2016



**PRECISION PORTFOLIO POLICY  
COMMERCIAL PROPERTY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

ADDITIONAL COVERAGES - Continued	DEDUCTIBLE	LIMITS
INSTALLATION*	\$1,000	\$2,500
INVENTORY AND APPRAISAL	NONE	\$5,000
LEASEHOLD INTEREST*	NONE	\$10,000
LOCK AND KEY REPLACEMENT	NONE	\$1,000
MONEY & SECURITIES - INSIDE THE PREMISES/OUTSIDE THE PREMISES*	NONE	\$10,000/ \$2,500
MONEY ORDERS & COUNTERFEIT CURRENCY - \$1,000 MAX. EACH ITEM	NONE	\$5,000
OFF-PREMISES POWER OR WATER FAILURE*	\$1,000	\$10,000
PATTERNS, DIES & MOLDS*	\$1,000	\$5,000
PERSONAL EFFECTS AND PERSONAL PROPERTY OF EMPLOYEES	\$1,000	\$2,500
PERSONAL PROPERTY AT NEWLY ACQUIRED OR CONST. BLDGS. - 180 DAYS	\$1,000	\$250,000
PERSONAL PROPERTY AT OTHER LOCATIONS (INCLUDING EXHIBITIONS)*	\$1,000	\$25,000
PERSONAL PROPERTY IN TRANSIT*	\$1,000	\$2,500
POLLUTION CLEAN-UP AND REMOVAL - EACH LOCATION	\$1,000	\$10,000
SALESPERSONS SAMPLES - \$2,500 MAX. EACH EMPLOYEE	\$1,000	\$10,000
SIGNS*	\$1,000	\$5,000
SPOILAGE*	\$1,000	\$5,000
TOOLS & EQUIPMENT INCLUDING COMMUNICATION DEVICES - BLANKET*	\$1,000	\$5,000
TREES, SHRUBS, PLANTS AND LAWNS - \$1,000 MAX. EACH ITEM	\$1,000	\$10,000
UNAUTHORIZED BUSINESS CARD USE - \$1,000 MAX. PER OCCURRENCE	NONE	\$5,000
VALUABLE PAPERS & RECORDS*	NONE	\$25,000
* The limits for these coverages may be increased. Contact your agent.		

Mortgagees and Loss Payees are listed on the Commercial Property Supplemental Declarations by building.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS NEW BUSINESS EFF 09/09/2016

**PRECISION PORTFOLIO POLICY  
BUILDINGS AND PERSONAL PROPERTY SCHEDULE  
PRECISION AMERICA**

LOCATION 01 BUILDING # 01 2120 W SPRING ST MONROE GA

**PREMISES PRIMARY**  
**OCCUPANCY:** MEDICAL OFFICES  
**INSURED'S INTEREST:** TENANT  
**CONSTRUCTION:** NON-COMBUSTIBLE **PROTECTION CLASS:** 003

		DEDUCTIBLE	LIMIT
PERSONAL PROPERTY	REPLACEMENT COST	SEE DEC	PER BLANKET
BACK-UP OF SEWERS & DRAINS		\$1,000	\$25,000
EQUIPMENT BREAKDOWN		\$1,000	INCLUDED

**PROTECTIVE DEVICES CONDITION APPLIES TO:**

**COMMERCIAL PROPERTY**  
 9S1017 Ed. 6-01 09/08/2016

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS NEW BUSINESS EFF 09/09/2016

**PRECISION PORTFOLIO POLICY  
BUILDINGS AND PERSONAL PROPERTY SCHEDULE  
PRECISION AMERICA  
(CONTINUED)**

LOCATION 02 BUILDING # 01 603 OLD NORCROSS RD LAWRENCEVILLE GA

**PREMISES PRIMARY**  
**OCCUPANCY:** MEDICAL OFFICES  
**INSURED'S INTEREST:** TENANT  
**CONSTRUCTION:** JOISTED MASONRY **PROTECTION CLASS:** 004

		DEDUCTIBLE	LIMIT
PERSONAL PROPERTY	REPLACEMENT COST	SEE DEC	PER BLANKET
BACK-UP OF SEWERS & DRAINS		\$1,000	\$25,000
EQUIPMENT BREAKDOWN		\$1,000	INCLUDED

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH			GRAND RAPIDS		NEW BUSINESS EFF 09/09/2016	



**PRECISION PORTFOLIO POLICY  
SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
PROPERTY	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
9S1001                      0499	LOSS PAYEE: LOCATION #: 001                      BUILDING #: 001 AFFINITY BANK ISAOA  5660 NEW NORTHSIDE DR STE 200 ATLANTA                                      GA 30328-5821      LOAN #:

**COMMERCIAL PROPERTY**

9S5008 Ed. 3-00

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09/08/2016



BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH			GRAND RAPIDS		NEW BUSINESS EFF 09/09/2016	



**PRECISION PORTFOLIO POLICY  
SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA  
(CONTINUED)**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
PROPERTY	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
9S1001                      0499	LOSS PAYEE: LOCATION #: 002                      BUILDING #: 001 AFFINITY BANK ISAOA  5660 NEW NORTHSIDE DR STE 200 ATLANTA                                      GA 30328-5821      LOAN #:

**COMMERCIAL PROPERTY**

9S5008 Ed. 3-00

INSURED'S COPY

09/08/2016

# BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

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

Other words and phrases in quotation marks have special meaning. Refer to the DEFINITIONS section of this form.

Coverage provided by this form is also subject to all the Conditions in the COMMON POLICY CONDITIONS form.

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## QUICK REFERENCE

SECTION OF THIS FORM	BEGINS ON PAGE
Coverage .....	1
Covered Property .....	1
Covered Causes of Loss .....	7
Additional Coverages .....	13
Limits of Insurance .....	18
Deductible .....	18
Commercial Property Conditions.....	18
Loss Conditions .....	18
General Conditions .....	22
Definitions .....	24

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## COVERAGE

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

### I. COVERED PROPERTY

The following items are Covered Property in this policy if shown in the Declarations along with a Limit of Insurance.

A. **Building**, meaning buildings and structures scheduled in the Declarations at a "described premises".

B. The following property if within 1000 feet of the "described premises":

1. Completed additions;
2. Permanently installed fixtures, machinery and equipment;

3. Indoor and outdoor equipment and other personal property used to maintain or service the "described premises";

4. Unless covered by other insurance:

(a) Incomplete additions and their component parts; and

(b) Materials, equipment, supplies and temporary structures to be used in completing those additions.

C. However, Covered Property does not include:

1. Land, water, growing crops, bridges, unattached retaining walls, patios or paved surfaces;

2. Foundations of buildings, supports, structures, machinery or boilers if the foundations are below:
  - (a) The lowest basement floor; or
  - (b) The surface of the ground, if there is no basement.
3. Property that is more specifically insured in this or another insurance policy.

**D. Newly Acquired or Constructed Buildings.**

If you acquire or commence construction on non-scheduled buildings after the inception date of this policy, such building(s) are Covered Property. However, this Coverage ends for each such building upon the earlier of:

1. The expiration of this policy;
2. The day you report the new property to us; or
3. The 180th day after you acquire the building(s) or commence construction on the building(s).

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

**E. Personal Property.**

1. Personal Property located in, on or within 1000 feet of the "described premises" including:
  - a. Business personal property owned by you and used in your business;
  - b. Personal property of others in your care, custody or control, including the cost of labor, materials or services furnished or arranged by you on that property;
  - c. Leased personal property which you have a contractual responsibility to insure; and
  - d. "Improvements and betterments".
2. However, Covered Property does not include:
  - a. Land, water or growing crops;
  - b. Bullion, money or securities;

- c. Contraband, or property in the course of illegal transportation or trade;
- d. Shipments imported into the United States prior to discharge from an aircraft or ocean vessel;
- e. Shipments exported from the United States after being loaded on an aircraft or ocean vessel;
- f. Animals, except:
  - (1) Animals owned by others and boarded by you; or
  - (2) Animals owned by you and held for sale;
- g. Personal property of employees or personal effects of others;
- h. Aircraft;
- i. Self-propelled watercraft while afloat;
- j. (1) Vehicles or self-propelled machines that are:
  - (a) Licensed for use on public roads; or
  - (b) Operated principally away from the "described premises".
- (2) But we will cover vehicles or self-propelled machines you:
  - (a) Manufacture, process or warehouse; or
  - (b) Hold for sale, except for automobiles; or
- k. Property that is covered under this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance.

**F. Personal Property at Newly Acquired or Constructed Buildings.** Personal Property Coverage extends to Personal Property at newly acquired or constructed buildings. But this Coverage ends for each newly acquired or constructed building upon the earlier of:

1. The expiration of this policy;

2. The day you report the new property to us; or
3. The 180th day after you acquire the property or begin the construction.

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

**G. Personal Property at Other Locations**, meaning your Personal Property that is at any premises more than 1000 feet from the "described premises".

1. This Coverage includes property at:
  - a. A location you own or occupy that is not a "described premises"; or
  - b. The premises of a fair or exhibition.
2. This Coverage does not include property:
  - a. In the course of transportation; or
  - b. That is more specifically insured while off-premises in this or another insurance policy.

**H. Patterns, Dies and Molds**, located anywhere in the Coverage Territory, including at exhibitions.

1. Patterns are forms or models for imitation, or models for making molds for forming or casting molten metals.
2. Dies are devices that impart desired shapes or finishes to materials. They may be devices that stamp or cut objects. They may also be devices through which metal, plastics or other materials are extruded.
3. Molds are frames around which objects are constructed, or containers in which objects are shaped.

**I. Personal Effects and Personal Property of Employees**, in your care, custody or control while in, on or within 1000 feet of the "described premises". This insurance is excess over any other valid and collectible insurance available to the owner of the property.

**J. Salespersons Samples**, while more than 1000 feet from the "described premises", including in transit. This Coverage applies to samples of goods or products you own while

in the custody of a salesperson or any employee who travels with sales samples.

Salespersons Samples does not include:

1. Property that has been sold;
2. Property shipped by mail; or
3. Drugs, jewelry, costume jewelry, furs, fur garments or garments trimmed with fur.

The most we will pay for loss of or damage to property in the custody of any one salesperson or employee in any one occurrence is \$2500.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion **1.b.** Earth Movement.
- (2) Exclusion **2.c.(4)** Settling, cracking, shrinking, expansion.
- (3) Exclusion **2.c.(5)** Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

**K. Free Standing Fences and Walls**, at the "described premises" and not attached to buildings or other structures. This Coverage does not include retaining walls that are used to contain water.

**L. Antennae and Satellite Dishes**, meaning radio or television satellite dishes and antennae, including their lead-in wiring, masts and towers within 1000 feet of a "described premises."

**M. Signs**, wherever located in the Coverage Territory. This Coverage applies to signs:

1. Owned or rented by you; or
2. Owned by others but in which you have a financial interest.

**N. Outdoor Trees, Shrubs, Plants and Lawns**, at the "described premises", other than "stock". This Coverage includes debris removal expense. However, we will only pay for loss or damage caused by the following Causes of Loss:

1. Fire;
2. Lightning;
3. Explosion;
4. Riot or Civil Commotion; or

## 5. Aircraft.

The most we will pay for loss or damage to any one tree, shrub or plant is \$1000.

**O. Personal Property in Transit**, meaning personal Property you own and are picking up from others, or are delivering to others.

1. This Coverage applies only to property while it is in transit more than 1000 feet from the "described premises" and:
  - a. In or on a vehicle owned, leased or operated by you; or
  - b. In the custody of a common carrier, contract carrier or registered mail carrier while in transit between points in the Coverage Territory. When title to a shipment passes to the consignee, if the consignee refuses to pay because the shipment is lost or damaged, you may elect to claim that loss under this insurance.
2. However, this coverage does not apply to:
  - a. Cargo that belongs to others that you are transporting for a fee, other than incidental delivery charges;
  - b. Cargo on your vehicle if that cargo has been stationary with no intent to move it within the next 72 hours;
  - c. Cargo while it is waterborne, unless it is on a barge on inland waterways within the continental United States;
  - d. Freight charges;
  - e. Live animals; or
  - f. Salespersons samples.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion **1.b.** Earth Movement.
- (2) Exclusion **1.g.** Water.
- (3) Exclusion **2.c.(4)** Settling, cracking, shrinking, expansion.
- (4) Exclusion **2.c.(5)** Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

**P. Installation Property.**

1. This Coverage applies to Personal Property being installed by you in work you are performing while at a job site or temporarily warehoused elsewhere anywhere in the Coverage Territory:
  - a. Awaiting and during installation or testing; and
  - b. Awaiting acceptance by the buyer.

If your Installation coverage limit is sufficient, coverage also extends to temporary structures at the job site as well as site preparation costs.

As used in this coverage, the term job site means a premises where you are installing, repairing or erecting property. However, It does not include the construction site of a dam, tunnel, flood control project, bridge, overpass, pier, wharf or dock.

2. This coverage does not apply to personal property that is not a part of or intended to become a part of the installation.
3. This coverage ends at any job site at the earliest of the following:
  - a. Your interest in the property ceases;
  - b. The buyer accepts the property; or
  - c. This policy terminates.

**Q. Tools and Equipment, Including Communication Devices.**

1. This Coverage applies to the following property located anywhere in the Coverage Territory:
  - a. Your tools and tools belonging to your employees, including spare parts and accessories;
  - b. Contractors equipment you own or for which you may be legally liable; and
  - c. Mobile communications equipment not permanently installed in a vehicle.
2. This Coverage does not include:

- a. Automobiles, motor trucks, tractors, trailers or other vehicles designed and principally used for highway transportation;
- b. Aircraft or watercraft, or property while airborne or waterborne;
- c. Property located underground; or
- d. Contraband or property in the course of illegal transportation or trade.

The most we will pay for loss of or damage to any item under this Coverage is \$2500, unless the item is scheduled along with a higher limit in the Declarations of this policy.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion **1.b.** Earth Movement.

**Extension - Newly Acquired Equipment.**

If you acquire new contractors equipment during the Policy Period of a type already covered in this policy by this Coverage, we will automatically cover that property up to 180 days, but not beyond the end of the policy period. The most we will pay in any one occurrence under this extension is \$250,000. You must notify us within 180 days of the acquisition of the property. We will charge additional premium from the date of acquisition.

**Insurance to Value.** All owned property included in this Coverage must be insured for at least 80% of its value at the time of loss or damage. If it is not, you will incur a penalty. The penalty is that we will only pay the proportion of the loss or damage that the Limit of Insurance for this Coverage bears to 80% of the value of the owned property at the time of loss or damage.

**R. Accounts Receivable,** meaning the money due you that you are unable to collect from your customers as a result of loss of or damage to your records of accounts receivable.

1. This coverage applies to:
  - a. Evidences of debt in connection with credit or charge cards;
  - b. Interest charges on any loan that you secure to offset amounts you are unable to collect pending our payment of these amounts;

- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss; and
- d. Other reasonable expenses you incur to re-establish your records of accounts receivable.

2. This coverage does not apply to:

- a. Contraband or property in the course of illegal transportation or trade; or
- b. Electronic data processing media or software.

3. Accounts Receivable loss payment will be determined as follows:

- a. When there is proof that a covered loss has occurred but you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the amount will be computed as follows:

- (1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss occurs; and

- (2) Adjust that total for any normal fluctuation in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

- b. We will deduct from the total amount of accounts receivable, however that amount is established:

- (1) The amount of the accounts for which there is no loss or damage;

- (2) The amount of the accounts that you are able to re-establish or collect;

- (3) An amount to allow for probable bad debts that you are normally unable to collect; and

(4) All unearned interest and service charges.

- c. If you recover the amount of any accounts receivable that were included in the amount of the paid loss, you will return the recovered amount to us, up to the total amount of the paid loss. You will keep the amount of any accounts receivable you recover in excess of the amount of the paid loss.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion **1.b.** Earth Movement.
- (2) Exclusion **2.c.(4)** Settling, cracking, shrinking, expansion.
- (3) Exclusion **2.c.(5)** Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

S. **Fine Arts**, meaning property that is rare or has historic or artistic value, such as paintings, etchings, drawings, rare books, rugs, tapestries, art glass, stained glass, murals, decoratively painted walls and other bona fide works of art or rarity that you own or are in your care, custody or control. This coverage applies to property located anywhere in the Coverage Territory except:

1. On exhibition at fairgrounds; or
2. On the premises of any national or international exposition.

The most we will pay for loss of or damage to any item under this Coverage is \$2500, unless the item is scheduled along with a higher limit in the Declarations of this policy. Scheduled items will be valued at the amount shown in the Declarations. All other items will be valued at actual cash value.

**Extension - Newly Acquired Property.** If you acquire new Fine Arts during the Policy Period, we will automatically cover that property up to 180 days, but not beyond the end of the Policy Period. The most we will pay in any one occurrence under this extension is the lesser of 25% of the total limits for Fine Arts in this policy or \$10,000. You must notify us within 180 days of the acquisition of the property. We will charge additional premium from the date of acquisition.

The following exclusions in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

- (1) Exclusion **1.b.** Earth Movement.
- (2) Exclusion **1.g.** Water.
- (3) Exclusion **2.c.(5)** Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

T. **Electronic Data Processing Equipment and Media**, meaning data processing, and word processing and telephone systems and software you own or are in your care, custody or control.

1. This Coverage includes:

- a. Equipment, component parts and related peripheral equipment such as cables, modems, telephone handsets and fax machines;
- b. Media such as punch cards, tapes, discs, drums, or other magnetic recording or storage devices including the information stored on the media; and
- c. Software programs and documentation used to operate the systems.

2. This Coverage does not include property

- a. You hold for sale, distribute or manufacture; or
- b. That cannot be duplicated or replaced with similar property of equal quality, unless it is scheduled in the Declarations.

The most we will pay for loss of or damage to any data processing item under this Coverage is \$5000, except for any item specifically scheduled with a higher limit in the Declarations of this policy.

With respect to the above coverage, the term data processing item means an individual hardware component or peripheral (including related cards and cables), software program or media used with a specific software program.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion **1.b.** Earth Movement.

- (2) Exclusion **2.c.(4)** Settling, cracking, shrinking, expansion.
- (3) Exclusion **2.c.(5)** Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.
- (4) Exclusion **2.c.(6)(b)** Changes or extremes of temperature.

U. **Valuable Papers and Records**, meaning inscribed, printed or written documents, manuscripts or records including abstracts, books, deeds, drawings, films, negatives, transparencies, tapes, maps, mortgages or credit card records. We will pay the cost incurred to research, replace or restore the information on lost or damaged Valuable Papers and Records.

This Coverage does not include:

- 1. Electronic data processing media or software;
- 2. Money or securities;
- 3. Valuable papers and records that cannot be replaced with others of like kind and quality;
- 4. Property held as samples or for delivery after sale;
- 5. Property in storage away from the "described premises"; or
- 6. Contraband, or property in the course of illegal transportation or trade.

The following exclusions in **EXCLUSIONS** (Section II.A.) do not apply to this coverage:

- (1) Exclusion **1.b.** Earth Movement.
- (2) Exclusion **2.c.(4)** Settling, cracking, shrinking, expansion.
- (3) Exclusion **2.c.(5)** Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.

## II. COVERED CAUSES OF LOSS

RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE unless the loss or damage is excluded or limited as described below:

### A. EXCLUSIONS

- 1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is ex-

cluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

### a. Ordinance or Law

- (1) The enforcement of any ordinance or law:
  - (a) Regulating the construction, use or repair of any property; or
  - (b) Requiring the tearing down of any property, including the cost of removing its debris.
- (2) This exclusion, Ordinance or Law, applies whether the loss results from:
  - (a) An ordinance or law that is enforced even if the property has not been damaged; or
  - (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property or removal of its debris, following a physical loss to that property.

### b. Earth Movement

- (1) Any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting. But if earth movement results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.
- (2) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or volcanic action, we will pay for the loss or damage caused by that fire, building glass breakage or volcanic action.

All volcanic eruptions that occur within any 168 hour period will constitute a single occurrence.



- c. **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 pre-vent its spread, if the fire would be covered under this Coverage Part.
- d. **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 loss or damage caused by that fire.
- e. **Utility Service Failure** - The failure of power or other utility service supplied to the "described premises", however caused, if the failure occurs away from the "described premises." But if the failure of power or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.
- f. **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.
- g. **Water**
  - (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;
    - (2) Mudslide or mudflow;
    - (3) Water under the ground surface pressing on, or flowing or seeping through:
      - (a) Foundations, walls, floors or paved surfaces;
      - (b) Basements, whether paved or not; or
      - (c) Doors, windows or other openings; or
    - (4) Water that backs up or overflows from a sewer, drain or sump but only if BackUp of Sewers and Drains is shown as "Excluded" in the Declarations.  
But if water, as described in **A.1.g.(1)** through **(4)** results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.
  - 2. We will not pay for loss or damage caused by or resulting from any of the following:
    - a. Delay, loss of use or loss of market.
    - b. Smoke, vapor or gas from agricultural smudging or industrial operations.
    - c. (1) Wear and tear.
      - (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.
      - (3) Smog.
      - (4) Settling, cracking, shrinking, expansion.
      - (5) Nesting or infestation, or discharge or release of waste products by insects, birds, rodents or other animals.
      - (6) The following causes of loss to Personal Property:
        - (a) Dampness or dryness of atmosphere;
        - (b) Changes in or extremes of temperature; or
        - (c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.c.(1) through (6) results in building glass breakage or a "specified cause of loss," we will pay for the building glass breakage or the loss or damage caused by that "specified cause of loss."

d. Explosion or mechanical break down of steam boilers, steam pipes, steam engines, steam turbines, or their accessories or components, owned or leased by you or operated under your control. But we will pay for:

(1) Any loss or damage caused by fire or combustion explosion that results from explosion of steam boilers, steam pipes, steam engines or steam turbines; or

(2) Any loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

e. Continuous or repeated seepage or leakage of water that occurs over a period of 14 days or more.

f. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

(1) You do your best to maintain heat in the building or structure; or

(2) You drain the equipment and shut off the supply if the heat is not maintained.

g. (1) Dishonest or criminal acts by you, any of your partners, employees, directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

(a) Acting alone or in collusion with others; or

(b) Whether or not occurring during the hours of employment.

(2) This exclusion does not apply to:

(a) Acts of destruction by your employees, except that theft by employees is not covered; or

(b) Acts committed by carriers for hire or anyone claiming to be a carrier for hire.

h. Rain, snow, ice or sleet to personal property in the open.

i. Collapse. But

(1) If collapse results in a Covered Cause of Loss at the "described premises", we will pay for the loss or damage caused by that Covered Cause of Loss.

(2) We will pay for loss or damage caused by or resulting from risks of direct physical loss involving collapse of a building or any part of a building caused only by one or more of the following:

(a) The "specified causes of loss" or breakage of building glass, all only as insured against in this Coverage Part;

(b) Hidden decay;

(c) Hidden insect or vermin damage;

(d) Weight of people or personal property;

(e) Weight of rain that collects on a roof;

(f) Use of defective material or methods if the collapse occurs during the course of the construction, remodeling or renovation. However, if the collapse occurs after construction, remodeling or renovation is complete and is caused in part by a cause of loss listed in **(2)(a)** through **(e)**, we will pay for the loss or damage even if use of defective material or methods in

construction, remodeling or renovation contributes to the collapse.

(3) If the direct physical loss or damage does not involve collapse of a building or any part of a building, we will pay for loss or damage to Covered Property caused by the collapse of personal property only if:

- (a) The personal property which collapses is inside a building insured under this policy; and
- (b) The collapse was caused by a cause of loss listed in (2)(a) through (2)(f) above.

(4) With respect to the following property:

- (a) Satellite dishes and outdoor radio or television antennae, including their leadin wiring, masts or towers;
- (b) Awnings;
- (c) Gutters and downspouts;
- (d) Yard fixtures;
- (e) Outdoor swimming pools;
- (f) Fences;
- (g) Piers, wharves and docks;
- (h) Beach or diving platforms or appurtenances;
- (i) Retaining walls;
- (j) Walks, roadways and other paved surfaces.

If the collapse is caused by a cause of loss listed in (2)(b) through (2)(f), we will pay for loss or damage to that property only if such loss or damage is a direct result of the collapse of a building insured under this policy and the property is Covered Property under this policy.

Collapse does not include settling, cracking, shrinkage, bulging or expansion.

j. Discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss." But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss."

3. We will not pay for loss or damage caused by or resulting from any of the following. But if an excluded cause of loss that is listed in **3.a.** through **3.c.** results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of 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 or damage.
- b. Acts or decisions, including the failure to act or decide, of any person, group, or organization representing a governmental or regulatory or controlling 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 on or away from the "described premises".

4. Special Exclusions. The following exclusions apply only to the Covered Property or Additional Coverage specified:

a. **Tools and Equipment, Including Communications Devices** - We will not pay for any loss or damage caused by or resulting from:

- (1) The weight of a load or lift exceeding the manufacturer rated lifting capacity of the equipment under operating conditions at the time of loss or damage; or
- (2) Collapse or collision of booms or jibs unless directly caused by one of the "specified causes of loss".

b. **Accounts Receivable** - We will not pay for any loss or damage caused by or resulting from:

- (1) Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property. But this exclusion applies only to the extent of the wrongful giving, taking or withholding.
- (2) Bookkeeping, accounting or billing errors or omissions, or for any loss that requires an audit of records or an inventory computation to prove its factual existence.

c. **Fine Arts** - We will not pay for loss or damage caused by or resulting from:

- (1) Breakage of statuary, glassware, bricabrac, marbles, porcelain and similar fragile property. But we will pay if the loss or damage is caused directly by fire, lightning, explosion, windstorm, earthquake, flood, vandalism, aircraft, rioters, strikers, theft, attempted theft or by accident to the vehicle carrying the property.
- (2) Any repairing, restoration or re-touching of the Fine Arts.

d. **Valuable Papers and Records**

We will not pay for any loss or damage caused by or resulting from errors or omissions in processing or copying the papers and records.

But we will pay for loss or damage caused by a resulting fire or explosion.

e. **Business Income and Extra Expense** We will not pay for:

- (1) Any loss caused by or resulting from:
  - (a) Damage or destruction of "finished stock"; or
  - (b) The time required to reproduce "finished stock".

This exclusion does not apply to "extra expense".

- (2) Any loss caused by or resulting from direct physical loss or damage to radio or television antennae, or satellite dishes, including their leadin wiring, masts or towers.

- (3) Any increase of loss caused by or resulting from:

- (a) Delay in rebuilding, repairing or replacing the property or resuming "operations" due to interference at the location of the rebuilding, repair or replacement by strikers or other persons;

- (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your "business income" during the "period of restoration"; or

- (4) Any "extra expense" caused by or resulting from suspension, lapse or cancellation of any license, leases or contract beyond the "period of restoration".

- (5) Any increase of loss of Net Income caused by or resulting from improvement(s) in business conditions subsequent to the time of loss.

- (6) Any other consequential loss.

- f. **Leasehold Interest** We will not pay for any loss caused by:
- (1) Your canceling the lease;
  - (2) The suspension, lapse or cancellation of any license; or
  - (3) Any other consequential loss.

## B. LIMITATIONS

### 1. We will not pay for loss of or damage to:

- a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers and equipment, other than an explosion.
- c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
  - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
  - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure (unless held for sale by you) if the loss is caused by or results from theft. This Limitation does not apply to Installation.
- e. Property that is missing, where the only evidence of the loss is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.

- f. Gutters and downspouts caused by or resulting from weight of snow, ice or sleet.
- g. Property that has been transferred to a person or to a place outside the "described premises" on the basis of unauthorized instructions.

### 2. We will not pay more for loss of or damage to glass that is part of a building or structure than \$500 for each plate, pane, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter. We will not pay more than \$1000 for all loss of or damage to building glass that occurs at one time. This Limitation does not apply:

- a. To loss or damage by the "specified causes of loss," except vandalism; or
- b. If Full Glass Breakage is shown as "Included" for the "described premises" in the Declarations.

Full Glass Breakage does not apply to stained glass or art glass.

### 3. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- a. Animals, and then only if they are killed or their destruction is made necessary.
- b. Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
  - (1) Glass that is part of a building or structure;
  - (2) Containers of property held for sale; or
  - (3) Photographic or scientific instrument lenses.

### 4. For loss or damage by theft, the following types of property are covered only up to the limits shown:

- a. \$2500 for furs, fur garments and garments trimmed with fur.
  - b. \$2500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
  - c. \$250 for stamps, letters of credit and tickets, including lottery tickets held for sale.
5. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:
- a. Results in discharge of any substance from an automatic fire protection system; or
  - b. Is directly caused by freezing.
6. We will not pay the cost of excavations.

### III. ADDITIONAL COVERAGES

The following Additional Coverages apply only if they are indicated in the Declarations:

#### A. Business Income and Extra Expense

We will pay for the actual loss of "business income" you sustain due to the necessary suspension of "operations" during the "period of restoration," but not to exceed 12 consecutive months. The suspension must be caused by direct physical loss of or damage to property at the "described premises," including personal property in the open, or in a vehicle, within 1000 feet, caused by or resulting from a Covered Cause of Loss.

We will also pay necessary "extra expense" you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss of or damage to such property caused by or resulting from a Covered Cause of Loss.

This Additional Coverage is not subject to the Limits of Insurance, except for the Newly Acquired Properties Extension.

#### Extensions:

1. **Business Income From Dependent Properties** - We will also pay for the actual loss of "business income" you sustain due to the necessary suspension of "operations" caused by direct physical loss of or damage by a Covered Cause of Loss to "dependent property" at a premises you do not own, lease or operate.
  - a. We will only pay for loss of "business income" that occurs within the lesser of:
    - (1) The "period of restoration" at the "dependent property" where the direct loss or damage occurs; or
    - (2) 30 days.
  - b. We will reduce the amount of your "business income" loss, other than "extra expense", to the extent you can resume "operations", in whole or in part, by using any other available:
    - (1) Source of materials; or
    - (2) Outlet for your products.
2. **Newly Acquired Properties** - We will pay for the actual loss of "business income" and "extra expense" you sustain due to the necessary suspension of "operations" during the "period of restoration" caused by direct physical loss or damage by a Covered Cause of Loss to your property at newly acquired buildings, including personal property in the open, or in a vehicle, within 1000 feet. But this Coverage ends for each newly acquired location upon the earlier of:
  - a. The expiration of this policy;
  - b. The day you report the new property to us; or
  - c. The 180th day after you acquire the property or begin the construction.

We will pay up to the Limit for this Extension shown in the Declarations.
3. **Extended Period of Indemnity** - We will pay for the actual loss of "business income" you sustain due to the impairment of "operations" during the period that:

- a. Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- b. Ends on the earlier of:
  - (1) The date you could restore "operations" with reasonable speed to the condition that would have existed if no direct physical loss or damage occurred; or
  - (2) 30 consecutive days after the date determined in a. above.

This period is in addition to, and not a part of, the 12month limitation applicable to this Additional Coverage.

The loss of "business income" must be caused by direct physical loss or damage at the "described premises" caused by or resulting from a Covered Cause of Loss.

4. **Civil Authority** - We will pay for the actual loss of "business income" you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the "described premises" due to direct physical loss of or damage to property, other than at the "described premises," caused by or resulting from any Covered Cause of Loss.

This coverage will begin after the action by civil authority for a period of up to three consecutive weeks after coverage begins.

- B. **Deferred Payments.** We will pay for your interest in lost or damaged Personal Property sold by you under a conditional sale or trust agreement or any installment or deferred payment plan after delivery to buyers. The loss or damage must be caused by a Covered Cause of Loss.

When a total loss to that property occurs, deferred payments are valued on the amount shown on your books as due from the buyer.

When partial loss to that property occurs and the buyer refuses to continue payment, forcing you to repossess, deferred payments are valued as follows:

1. If the realized value of the repossessed property is greater than or equal to the amount shown on your books as due from the buyer, we will make no payment; but
2. If the realized value of the repossessed property is less than the amount shown on your books as due from the buyer, we will pay the difference.

When a partial loss occurs and the buyer continues to pay you, there will be no loss payment.

### C. Off-Premises Power or Water Failure

1. We will pay for:
  - a. Direct physical loss or damage to Covered Property caused by an interruption of electrical power or water supply services to the "described premises". The interruption must result from direct physical loss or damage by a Covered Cause of Loss to the following property not on the "described premises":
    - (1) Water mains, pipes, aqueducts and other similar means of transporting water or steam;
    - (2) Generating plants;
    - (3) Switching stations, substations or pumping stations;
    - (4) Transformers; and
    - (5) Transmission lines, except for overhead transmission lines.
  - b. The actual loss of "business income" and necessary "extra expense" you sustain as a result of a power or water supply services failure described in paragraph a. above. But this paragraph b. does not apply unless Business Income and Extra Expense is covered in this Coverage Part.
2. This Additional Coverage does not apply to loss or damage:
  - a. To perishable "stock"; or
  - b. You incur during the first 12 consecutive hours after the direct loss or damage to utility supply equipment.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion **1.e.** Utility Service Failure.

**D. Building Ordinance or Law** - If there is an ordinance or law in effect at the time of loss that regulates zoning, land use or construction of a covered building, and if enforcement of that ordinance or law affects the repair or rebuilding of that building following damage by a Covered Cause of Loss:

1. We will pay:

- a. The value of undamaged portions of the building if they must be demolished due to the enforcement of building ordinance or law;
- b. Costs to demolish and clear the site of those undamaged portions;
- c. Increased costs to:
  - (1) Repair or reconstruct damaged portions of that building; and/or
  - (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is the consequence of enforcement of building, zoning or land use ordinance or law.

However, this coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- d. The actual loss of "business income" and "extra expense" you sustain solely because the building ordinance or law was enforced. But this paragraph **d.** does not apply unless Business Income and Extra Expense is covered in this Coverage Part.

The limit for **a.** above is included in the Building limit. The limit for covered losses payable under **b.** and **c.** above are shown in the Declarations.

2. We will not pay more under paragraphs **1.a.** and **1.b.** above than if the repaired or replaced building were rebuilt:

- a. At the same location, as soon as reasonably possible;
  - b. With the least expensive building materials and construction methods of comparable material and quality;
  - c. In the same style and of the same size; and
  - d. For the same type of occupancy as the one it replaces
- to the extent permitted by the law or ordinance.

If you do not repair or replace the damaged building, we will pay only to demolish and clear the site of the undamaged portions of the building.

This Additional Coverage does not apply to the costs associated with the enforcement of any ordinance or law that requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any other way respond to or assess the effects of "pollutants."

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion **1.a.** Ordinance or Law.

**E. Spoilage**

1. We will pay for loss or damage to Personal Property that is perishable "stock" within the "described premises" caused by:
  - a. Change in temperature or humidity resulting from:
    - (1) Breakdown of machinery; or
    - (2) Failure of refrigerating, cooling or humidity control equipment
 if such machinery or equipment is located at the "described premises";
  - b. Contamination by refrigerant; or
  - c. Change in temperature or humidity resulting from complete or partial interruption of electrical power due to conditions beyond your control.



2. We will not pay under this Additional Coverage for loss caused by or resulting from:
- a. Disconnecting any refrigerating, cooling or humidity control system from its power source, except when done to avoid or reduce another loss covered by this Coverage Part;
  - b. Deactivating electrical power due to the manipulation of any switch or other device used to control the flow of electrical current;
  - c. The inability of a utility company or other power source to provide sufficient power due to:
    - (1) Lack of fuel; or
    - (2) Governmental order;
  - d. The inability of a power source at the "described premises" to provide sufficient power due to lack of generating capacity to meet demand; or
  - e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.
- F. Fire Department Service Charge** - When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay your liability for fire department charges:
1. Assumed by contract or agreement prior to loss; or
  2. Required by local ordinance.
- G. Fire Extinguishing Equipment Recharge** - We will pay for the cost to recharge or refill any fire protective equipment when discharged:
1. To prevent or control a loss;
  2. Accidentally; or
  3. As a result of malfunction of the equipment.
- H. Lock and Key Replacement** - We will pay the cost of:
1. Premises entry key replacement, if keys are stolen; or
  2. Premises entry lock repair or replacement made necessary by theft or attempted theft at the "described premises".
- I. Inventory and Appraisal** -We will pay for the following expenses you incur at our request, as required by this Coverage Part, to prepare a claim:
1. The cost of taking inventories;
  2. The cost of making appraisals; and
  3. The cost of preparing a statement of loss and other supporting exhibits.
- We will not pay for any expenses billed by and payable to independent or public insurance adjusters or for expenses to prepare claims not covered by this Coverage Part.
- J. Pollutant CleanUp and Removal** - We will pay your expenses to extract "pollutants" from land or water at the "described premises" if the release, discharge, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.
- This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing performed in the course of extracting "pollutants" from the land or water.
- The most we will pay for each location under this Additional Coverage is the limit shown in the Declarations for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.
- K. Debris Removal** - We will pay your expense 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.
1. The most we will pay under this Additional Coverage 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.
- 2. But if:
  - a. The sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance for the Covered Property; or
  - b. The debris removal expense exceeds the amount payable under the 25% limitation we will pay up to the additional amount shown in the Declarations for Debris Removal for each location in any one occurrence.
- 3. This coverage does not apply to costs to:
  - a. Extract "pollutants" from land or water; or
  - b. Remove, restore or replace polluted land or water.
- L. **Preservation of Property** - If it is necessary to move Covered Property from the "described premises" to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:
  - 1. While it is being moved or while temporarily stored at another location; and
  - 2. Only if the loss or damage occurs within 30 days after the property is first moved.

This Additional Coverage is part of, and not in addition to, the Limit of Insurance applicable to the Covered Property.
- M. **Damage By Water, Other Liquid, Powder or Molten Material** - If loss or damage caused by or resulting from water or other liquid, powder or molten material damage loss occurs, we will pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

This Additional Coverage is part of, and not in addition to the Limit of Insurance for Building.
- N. **Leasehold Interest** - We will pay for loss of "net leasehold interest" you sustain due to the cancellation of your lease. The cancellation must

result from direct physical loss or damage at the "described premises" caused by or resulting from a Covered Cause of Loss.

- 1. We will not pay more than the total "net leasehold interest" at the time of the cancellation of the lease. But if your lease is cancelled and your landlord lets you continue to use your premises under a new lease, we will not pay more than:
  - a. The rent you will pay under the new lease; minus
  - b. The rent you now pay.
- 2. We will not pay under this Additional Coverage if:
  - a. The premises where the lease is cancelled has been vacant for more than 60 consecutive days; and
  - b. You have not entered into an agreement to sublease the premises.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:  
**Exclusion 1.a. Ordinance or Law.**

- O. **Arson or Fraud Reward** - In the event that a covered loss was a result of arson or fraud, we will, at our discretion, reimburse you up to \$5,000 for rewards you pay for information leading to arrest and conviction for that act of arson or fraud.
- P. **Equipment Breakdown** - We will pay for loss or damage caused by or resulting from risks of direct physical loss due to:
  - (1) Mechanical breakdown, including rupture or bursting caused by centrifugal force.
  - (2) Artificially generated electric current, including electric arcing, that disturbs electrical devices and appliances.

But this additional coverage does not apply to the following types of property:

Steam pipes, steam engines, steam turbines, including their accessories and components

We will pay up to \$25,000 for any additional expenses you incur for:

- (1) Cleanup;
- (2) Repair or replacement; or
- (3) Disposal

of covered property that is damaged, contaminated or polluted as a result of an "accident" by a substance declared by a governmental agency to be hazardous to health. This limitation does not apply to damage, contamination or pollution caused by ammonia.

#### LIMITS OF INSURANCE

- A. The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance for each coverage shown in the Declarations, except as provided below.
- B. **Automatic Building Increase**
  1. The Limits of Insurance for covered Buildings will automatically increase by the Automatic Building Increase percentage shown in the Declarations.
  2. The percentage applies proportionally throughout each year. The actual amount of increase available on the day of loss or damage will be:
    - a. The last limit fixed for the property in this policy, at inception, at anniversary or as subsequently endorsed; times
    - b. The Automatic Building Increase percentage from the Declarations; times
    - c. The number of days since the limit was last fixed; divided by
    - d. 365.
- C. **Peak Season Personal Property Increase**
  1. The Limits of Insurance for covered Personal Property will automatically increase by 50% to provide for seasonal variations.
  2. The increase will apply only if the Limit of Insurance shown for Personal Property in the Declarations is at least 90% of your average monthly values during the lesser of:
    - a. The 12 months immediately preceding the date the loss or damage occurs; or

- b. The period of time you have been in business as of the date the loss or damage occurs.

#### DEDUCTIBLE

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

**Separate Deductibles.** Certain Coverages are subject to separate Deductibles as shown in the Declarations.

**Multiple Deductibles.** More than one Deductible may apply to loss or damage arising out of a single occurrence covered by this Coverage Part. If so, we will not deduct more from the entire amount of loss or damage than the largest Deductible applying to the occurrence.

#### COMMERCIAL PROPERTY CONDITIONS

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

#### IV. 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 Or Damage** -
  1. In the event of loss or damage to Covered Property, you must:
    - a. Notify the police if a law may have been broken.

- b. Give us prompt notice of the loss or damage. Include a description of the property involved.
  - c. As soon as possible, give us a description of how, when and where the loss or damage occurred.
  - d. 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. Also, if feasible, set the damaged property aside and in the best possible order for examination.
  - e. At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
  - f. 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.
  - g. Send us a signed sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - h. Cooperate with us in the investigation or settlement of the claim.
2. If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible. If you:
    - a. Do not resume "operations"; or
    - b. Do not resume "operations" as quickly as possible; we will pay for loss of "business income," if covered in this policy, based on the length of time it would have taken to resume "operations" as quickly as possible.
  3. 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.

#### **D. Loss Adjustment -**

1. This condition is intended to facilitate payment of insurance proceeds in the event of loss of or damage to Covered Property from a Covered Cause of Loss that is covered by:
  - a. This Commercial Property Coverage Part; and
  - b. Boiler and Machinery insurance.

It applies when there is a disagreement between the insuring companies as to the amount of loss to be paid by each company.
2. The provisions of paragraph **3.** of this condition apply only if all of the following requirements are met:
  - a. The Boiler and Machinery insurance carried by the Named Insured and insuring the Covered Property contains a provision with substantially the same requirements, procedures and conditions as stated here.
  - b. The damage to the Covered Property was caused by a loss for which both we and the Boiler and Machinery insurer admit to some liability for payment under the respective policies.
  - c. The total amount of the loss is agreed to by you, the Boiler and Machinery insurer and us.
  - d. We and the Boiler and Machinery insurer disagree as to the amount of loss that each of us should pay that is attributable to:
    - (1) A Covered Cause of Loss under this Coverage Part; and
    - (2) An "accident" covered under the Boiler and Machinery insurance as defined in that policy.
3. If the requirements listed in paragraph **2.** above are satisfied, we and the Boiler and Machinery insurer will make payments as follows:

- a. At your written request:
    - (1) We will pay the entire amount of loss that we have agreed as being covered by this Commercial Property coverage and one-half the amount of loss that is in disagreement.
    - (2) The Boiler and Machinery insurer will pay the entire amount of loss that they have agreed as being covered by the Boiler and Machinery insurance and one-half the amount of loss that is in disagreement.
  - b. The amount in disagreement to be paid by us under this condition will not exceed the amount payable under the equivalent Loss Adjustment provisions of the Boiler and Machinery insurer.
  - c. The amount to be paid under this condition will not exceed the amount we would have paid had no Boiler and Machinery insurance been in effect at the time of loss.
  - d. Acceptance by you of sums paid under this insurance does not alter, waive or surrender any other rights against us.
  - e. The Boiler and Machinery insurer and we agree to submit our differences to arbitration within 90 days after loss payment made under these terms.
  - f. You agree to cooperate with any arbitration procedures. There will be three arbitrators. We will appoint one and the Boiler and Machinery insurer will appoint another. The two arbitrators will select a third arbitrator. If they cannot agree, either may request that a judge of a court having jurisdiction make selection. A decision agreed to by two of the three arbitrators will be binding on both parties. Judgment on any award can be entered in any court that has jurisdiction.
- a. Pay the value of lost or damaged property;
  - b. Pay the cost of repairing or replacing the lost or damaged property;
  - c. Take all or any part of the property at an agreed or appraised value; or
  - d. Repair, rebuild or replace the property with other property of comparable kind and quality.
- 2. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
  - 3. We will not pay you more than your financial interest in the Covered Property.
  - 4. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
  - 5. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
  - 6. 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 loss; or
    - b. An appraisal award has been made.

**F. Pair, Sets or Parts** - In case of loss of or damage to:

- 1. Any part of a pair or set, we may:
  - a. Repair or replace any part 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. Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

**E. Loss Payment -**

- 1. In the event of loss or damage covered by this Coverage Part, at our option we will either:

**G. 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 you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

**H. Reinstatement After Loss** - The Limits of Insurance will not be reduced by the payment of any claim, except for total loss of a scheduled item, in which event we will refund the unearned premium on that item.

**I. Vacancy** -

1. Description of Terms

a. As used in this Vacancy Condition, the term building and the term vacant have meanings set forth in **a.(1)** and **a.(2)** below:

(1) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

(2) When this policy is issued to the owner of a building, building means the entire building. Such building is vacant when 70% or more of its total square footage:

(a) Is not rented; or

(b) Is not used to conduct customary operations.

b. Buildings under construction or renovation are not considered vacant.

2. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage:

a. We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:

(1) Vandalism;

(2) Sprinkler leakage, unless you have protected the system against freezing;

(3) Building glass breakage;

(4) Water damage;

(5) Theft; or

(6) Attempted theft.

b. With respect to Covered Causes of Loss other than those listed in **2.a.(1)** through **2.a.(6)** above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

**J. Valuation** -

1. For property valued on a Replacement Cost Basis, we will determine the value of Covered Property in the event of loss or damage at the cost to replace the lost or damaged property with new property:

a. Of comparable kind and quality;

b. On the same premises (regardless of where the rebuilding actually occurs); and

c. Intended for the same occupancy or use without deduction for depreciation. But if the damaged or destroyed property is not repaired or replaced, we will not pay more than its actual cash value at the time of loss or damage. You may make a preliminary claim for loss or damage covered by this insurance on an Actual Cash Value Basis.

In the event you do, you may still make a claim on a Replacement Cost Basis if you notify us of your intent to do so within 180 days after the loss or damage.

2. **Penalty for Underinsurance** - If the property is covered on a Replacement Cost Basis and the value shown in the Declarations for the Covered Property is less than 80% of its replacement cost value at the time of loss or damage, we will value the property at its actual cash value instead. This condition applies to **Coverages A, B, C and D of SECTION I - COVERED PROPERTY.**

3. **Special Valuations** - Regardless of the method of valuation shown in the Declarations, we will value the types of property shown below as follows:
- a. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
  - b. Glass, other than art glass, at the cost of replacement with safety glazing material if required by law plus the cost to replace lettering and ornamentation. Building glass valuation will also include:
    - (1) Attached frames; and
    - (2) The portions of burglar alarms, accessories and devices that are attached to or incorporated within the glass, up to a maximum of \$1,000 in any one occurrence.
  - c. "Improvements and betterments" at:
    - (1) Actual cash value or replacement cost, whichever applies to personal property at the same building, if you make repairs promptly.
    - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
      - (a) Divide the number of days from the loss or damage to the end of the lease by the number of days from the installation of the "improvements and betterments" to the end of the lease; and
      - (b) Multiply the result of **(a)** by the original cost.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in paragraph **(a)** above.
    - (3) Nothing if others pay for repairs or replacement.
  - d. Valuable Papers and Records, including negatives, transparencies, tapes and prints, at the cost of:
    - (1) Blank materials for reproducing the materials; plus
    - (2) Labor to transcribe or copy the records when there is a duplicate.
  - e. Prepackaged software programs and electronic data processing equipment that cannot be replaced, at the cost of functionally equivalent software and hardware.
  - f. Precious metals such as gold, silver and platinum, at the average market cost of replacement on the date of loss, or the actual cost of replacement, if less.
  - g. Property that cannot be replaced with new property, at actual cash value.

### GENERAL CONDITIONS

- A. **Concealment, Misrepresentation And Fraud** - This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact 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. **Contract Of Sale** - If you have entered into a contract for the sale of Covered Property with a Loss Payee shown in the Declarations, for the property that is the subject of that sale:
1. We will adjust losses with you and pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
  2. The word "you" in the Other Insurance condition below includes the Loss Payee.
- C. **Control Of Property** - Any act or neglect of any person other than you beyond your 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.

- 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. 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 of the terms of this Coverage Part; and
  2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.
- F. 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 automatically apply to this Coverage Part.
- G. Loss Payable** - For Covered Property in which both you and a Loss Payee shown in the Declarations have an insurable interest, we will:
1. Adjust losses with you; and
  2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.
- H. Mortgage Holders, Including Lender's Loss Payable** -
1. In this condition, the term "lienholder" includes:
    - a. Mortgage holders or trustees of real property; and
    - b. Creditors or trustees with whom you have entered into a contract for the sale of personal property and whose interest in that property is established by such written contracts as:
      - (1) Warehouse receipts;
      - (2) A contract for a deed;
      - (3) Bills of lading; or
      - (4) Financing statements.
  2. For Covered Property in which both you and a lienholder have an insurable interest:
    - a. We will pay for covered loss of or damage to Covered Property to each lienholder shown in the Declarations in their order of precedence, as their interests may appear.
- b. The lienholder has the right to receive loss payment even if the lienholder has started foreclosure or similar action on the Covered Property.
  - c. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the lienholder will still have the right to receive loss payment if the lienholder:
    - (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
    - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
    - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the lienholder.

All of the terms of this Coverage Part will then apply directly to the lienholder.
  - d. If we pay the lienholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:
    - (1) The lienholder's rights will be transferred to us to the extent of the amount we pay; and
    - (2) The lienholder's rights to recover the full amount of the lienholder's claim will not be impaired.

At our option, we may pay to the lienholder the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.
3. If we elect to cancel this policy, we will give written notice to the lienholder at least:
    - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
    - b. 30 days before the effective date of cancellation if we cancel for any other reason.
  4. If we elect not to renew this policy, we will give written notice to the lienholder at least 10 days before the expiration of this policy.



I. **No Benefit to Bailee** - No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

J. **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.

K. **Policy Period, Coverage Territory** - Under this Coverage Part:

1. We cover loss or damage commencing:
  - a. During the Policy Period shown in the Declarations; and
  - b. Within the Coverage Territory.
2. The Coverage Territory is:
  - a. The United States of America (including its territories and possessions);
  - b. Puerto Rico; and
  - c. Canada.
  - d. With respect to equipment covered under the Electronic Data Processing Equipment and Media blanket limit in the Declarations, the Coverage Territory is Anywhere in the World.

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

This will not restrict your insurance.

**DEFINITIONS**

A. "Accident" means a sudden and accidental breakdown of any:

1. Fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents;
2. Refrigerating or air conditioning system, piping and its accessory equipment; and
3. Mechanical or electrical machine or apparatus used for the generation, transmission or utilization of mechanical or electrical power.

At the time the breakdown occurs, it must become apparent by physical damage that requires repair or replacement of the equipment or a part of the equipment. If covered electrical equipment requires drying out as a result of flood, the drying out will be considered an "accident". If an initial "accident" causes other "accidents", all will be considered one "accident". All "accidents" at any one location that become apparent at the same time and are the result of the same cause will be considered one "accident".

B. "Business Income" means the:

1. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
2. Continuing normal operating expenses incurred, including payroll if there had been no direct physical loss or damage.

C. "Dependent Property" means premises operated by others on whom you depend to:

1. Deliver materials or services to you, or to others for your account (not including water, communication or power supply services);
2. Accept your products or services;
3. Manufacture products for delivery to your customers under contract of sale; or
4. Attract customers to your business.

D. "Described Premises" means the locations described in the Building and Personal Property Schedule. If you are a tenant, "described premises" means the portions of the building which you rent, lease or occupy, including all routes within the building to gain access to the described premises.

E. "Extra Expense" means necessary costs incurred to:

1. Avoid or minimize the suspension of business and continue "operations":
  - a. At the "described premises"; or
  - b. At replacement premises or temporary locations, including:
    - (1) Relocation expenses; and
    - (2) Costs to equip and operate the replacement or temporary locations.
2. Minimize the suspension of business if you cannot continue "operations".
3.
  - a. Repair or replace any property; or
  - b. Research, replace or restore the lost information on damaged Valuable Papers and Records to the extent it reduces the amount of loss that otherwise would be payable under paragraphs 1. and 2. above, or as "business income".

F. "Gross Leasehold Interest" means:

1. The monthly rental value of the premises you lease on the date the direct physical loss or damage occurs; minus
2. The actual monthly rent you pay, including taxes, insurance, janitorial or other service you pay as part of the rent.

Example:

Rental value of your leased premises	\$500
Monthly rent including taxes, insurance, janitorial or other services that you pay for as part of the rent	-400
"Gross Leasehold Interest"	\$100

G. "Improvements and Betterments" means fixtures, alterations, installations or additions:

1. Made a part of a building or structure you occupy but do not own; and
2. You acquired or made at your expense but cannot legally remove.

H. "Monthly Leasehold Interest" means the original costs you made for:

1. Bonus Payments - Money you originally paid to acquire your lease, but not including rent, prepaid rent or security; and
2. Prepaid Rent - Advance rent you paid that will not be refunded to you, other than periodic rental payments

divided by the number of months left in your lease at the time of the expenditure.

Example:

Original cost of Bonus Payment and/or Prepaid Rent	\$4,000
With 20 months left in the lease at time of payment	/20
"Monthly Leasehold Interest"	\$200

I. "Net Leasehold Interest" means the sum of:

1. The net present value of your "gross leasehold interest" for each remaining month of your lease discounted at the Prime Rate prevailing on the date the direct physical loss or damage occurs, rounded to the nearest whole number; plus
2. Your "monthly leasehold interest" times the number of months left in your lease on the date the direct physical loss or damage occurs, rounded to the nearest whole number.

Example:

With 20 months left in lease and 10% prime rate:

"Gross Leasehold Interest"	\$100
NPV Factor for 20 months	x 18.419
Subtotal (A)	\$1,842
"Monthly Leasehold Interest"	\$200
With 20 months left in lease	x20
Subtotal (B)	\$4,000
"Net Leasehold Interest"	
Subtotal (A) + Subtotal (B)	\$5,842

J. "Operations" means your business activities occurring at the "described premises".

K. "Period of Restoration" means the period of time that:

1. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the "described premises"; and
2. Ends on the earlier of:
  - a. The date when the property at the "described premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
  - b. The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

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

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

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

M. "Specified Causes of Loss" means:

1. Fire;
2. Lightning;
3. Explosion;

4. Windstorm or hail;
  5. Aircraft or vehicles;
  6. Riot or civil commotion;
  7. Vandalism;
  8. Leakage from fire extinguishing equipment;
  9. Sinkhole collapse, meaning the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
    - a. The cost of filling sinkholes; or
    - b. Sinking or collapse of land into man made underground cavities;
  10. "Volcanic action";
  11. Falling objects, which does not include loss of or damage to:
    - a. Personal property in the open; or
    - b. 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;
  12. Weight of snow, ice or sleet; or
  13. Water damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
- N. "Stock" means merchandise held in storage or for sale, raw materials and in-processed or finished goods, including supplies used in their packing or shipping.
- O. "Volcanic action" means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
1. Airborne volcanic blast or airborne shock waves;
  2. Ash, dust or particulate matter; or
  3. Lava flow.
- "Volcanic action" does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the "described premises."

## COMMERCIAL CRIME COVERAGE FORM

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

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

Other words and phrases in quotation marks have special meaning. Refer to the DEFINITIONS section of this form.

Coverage provided by this form is also subject to all the Conditions in the COMMON POLICY CONDITIONS form and the BUILDING AND PERSONAL PROPERTY COVERAGE FORM, except as noted below.

### QUICK REFERENCE

Section of this Form	Begins on Page
I. Coverage	1
II. Exclusions	2
III. Limits of Insurance	3
IV. Deductible	3
V. Crime Conditions	3
VI. Definitions	6

#### I. COVERAGE

We will pay for the following for which a limit is shown in the Declarations:

- A. **Employee Dishonesty** – Loss of, and direct loss from damage to, "money," "securities" and "property other than money and securities" resulting directly from employee dishonesty.

Employee dishonesty means dishonest acts committed by an "employee" acting alone or in collusion with other persons, except you or a partner, with the manifest intent to:

1. Cause you to sustain loss; and also
2. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
  - a. The "employee"; or
  - b. Any person or organization intended by the "employee" to receive that benefit.

**Extension – Employees Outside Coverage Territory.** Employee Dishonesty Cov-

erage includes loss caused by an "employee" while temporarily outside the Coverage Territory for a period of 90 days or less.

- B. **Money And Securities** – Loss of "money" and "securities" resulting directly from "theft," disappearance or destruction.

1. Separate limits apply to loss to property that is:

- a. **Inside The Premises:** Inside the "premises" or a "banking premises."
- b. **Outside The Premises:** Outside the "premises" while in the care and custody of:
  - (1) A "messenger"; or
  - (2) An armored motor vehicle company.

2. **Extensions:**

- a. **Containers** – We will pay for loss of, or loss from damage to, "containers" resulting directly from actual or attempted:
  - (1) "Theft" of; or
  - (2) Unlawful entry into those "containers."

- b. **Premises Damage** – We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of your "money" or "securities" if you are the owner of the "premises" or liable for damage to it.

The amount we will pay under these Extensions is included in the Limit of Insurance for Inside the Premises.

- c. **Forgery Or Alteration** – Loss of a "covered instrument" resulting directly from forgery or alteration of, on or in the "covered instrument."

**Extension – Legal Expenses.** If you are sued for refusing to pay any "covered instrument" on the basis that it has been forged or altered and you have our written consent to defend against the suit, we will pay any reasonable legal expenses you incur and pay in that defense. If we pay or offer to pay the Limit of Insurance for this Coverage, our obligation to pay legal expenses ceases. The amount we pay under this Extension is in addition to the Limit of Insurance for Forgery or Alteration Coverage.

- d. **Money Orders And Counterfeit Currency** – Loss of "money," "securities" or "property other than money and securities" resulting directly from the acceptance in good faith of:

1. A post office or express money order or bank certified check; or
2. Counterfeit United States or Canadian paper currency.

The most we will pay due to the acceptance of any one item under this Coverage is \$1000.

- e. **Unauthorized Business Card Use** – Loss of "money" resulting directly from "theft," forgery or unauthorized use of credit, debit or charge cards issued in your name, including:

1. Fund transfer cards;
2. Charge plates; and
3. Telephone cards.

The most we will pay for all loss under this Coverage during each 12 month period of this policy (including any extension of less than one year), is \$5000.

II. **EXCLUSIONS**

A. **Applicable To All Coverages:**

We will not pay for:

1. **Acts Committed By You Or Your Partners** – Loss resulting from any dishonest or criminal act committed by you or any of your partners, whether acting alone or in collusion with other persons.
2. **Acts Of Employees, Directors, Trustees Or Representatives** – Loss resulting from any dishonest or criminal act committed by any of your "employees," directors, trustees or authorized representatives:

- a. Acting alone or in collusion with others; or
- b. While performing services for you or otherwise.

This Exclusion does not apply to acts by "employees" that are covered by Employee Dishonesty Coverage.

3. **Governmental Action** – Loss resulting from seizure or destruction of property by order of governmental authority.

4. **Indirect Loss** – Any indirect result of an act or "occurrence" including but not limited to:

- a. Your inability to realize income that you would have realized had there been no loss, or loss from damage to, "money," "securities" or "property other than money and securities."
- b. Payment of damages of any type for which you are legally liable. But we will pay compensatory damages arising directly from a covered loss.
- c. Payment of costs, fees or other expenses you incur in establishing either the existence or amount of loss.

5. **Legal Expenses** – Expenses related to any legal action. This Exclusion does not apply to Forgery Or Alteration Coverage.

6. **Nuclear** – Loss resulting from nuclear reaction, nuclear radiation or radioactive contamination, or any related act or incident.

7. **War And Similar Actions** – Loss resulting from war, whether or not declared, warlike action, insurrection, rebellion or revolution, or any related act or incident.

**B. Applicable Only to Employee Dishonesty Coverage:**

We will not pay for:

1. **Employee Cancelled Under Prior Insurance** – Loss caused by any "employee" for whom similar prior insurance has been cancelled and not reinstated since the last such cancellation.
2. **Inventory Shortages** – Loss as to which the proof of its existence or amount is dependent upon:
  - a. An inventory computation; or
  - b. A profit and loss computation.

**C. Applicable Only to Money And Securities Coverage:**

We will not pay for:

1. **Accounting Or Arithmetical Errors Or Omissions** – Loss resulting from accounting or arithmetical errors or omissions.
2. **Exchanges Or Purchases** – Loss resulting from the giving or surrendering of property in any exchange or purchase.
3. **Fire** – Loss from damage to the "premises" resulting from fire, however caused.
4. **Money Operated Devices** – Loss of property contained in any "money" operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
5. **Transfer Or Surrender Of Property** –
  - a. Loss of property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
    - (1) On the basis of unauthorized instructions; or
    - (2) As a result of a threat to do bodily harm to any person or damage to any property.
  - b. But this exclusion does not apply to loss of property while in the

care and custody of a "messenger" if you:

- (1) Did not know of any threat at the time the conveyance began; or
- (2) Did know of a threat at the time the conveyance began, but the loss had nothing to do with that threat.

6. **Vandalism** – Loss from damage to the "premises," its exterior, or "containers" by vandalism or malicious mischief.

**D. Applicable Only to Unauthorized Business Card Use Coverage:**

We will not pay for:

**Personal Credit Cards** – Loss resulting from the use of any credit, debit or charge card issued in the name of anyone other than you, whether or not customarily used in your business.

**III. LIMITS OF INSURANCE**

The most we will pay for loss in any one "occurrence" is the applicable Limit of Insurance for each Coverage shown in the Declarations.

**IV. DEDUCTIBLE**

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

**Multiple Deductibles.** More than one Deductible may apply to loss or damage arising out of a single "occurrence" covered by this Coverage Part. If so, we will not deduct more from the entire amount of loss or damage than the largest Deductible applying to the "occurrence."

**V. CRIME CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions, except as noted:

**A. Consolidation - Merger** –

1. Subject to paragraph 2. below, through consolidation or merger with, or purchase of assets of, some other entity:
  - a. Any additional persons become "employees"; or

b. You acquire the use and control of any additional "premises"

any insurance afforded for "employees" or "premises" also applies to those additional "employees" and "premises."

2. Paragraph 1. above applies only if you:

a. Give us written notice within 180 days of the addition; and

b. Pay us an additional premium.

**B. Discovery Period For Loss** – We will pay only for covered loss discovered no later than one year from the end of the Policy Period.

**C. Duties In The Event Of Loss** – The following supersedes the Commercial Property Duties in the Event of Loss or Damage Loss Condition (COMMERCIAL PROPERTY CONDITIONS Section, Paragraph I.C. of the Building and Personal Property Coverage Form).

After you discover a loss or a situation that may result in a loss of, or loss from damage to, covered property, you must:

1. Notify us as soon as possible.

For losses under Unauthorized Business Card Use Coverage, you must also immediately notify the issuers of any lost or stolen cards.

2. Submit to examination under oath at our request and give us a signed statement of your answers.

3. Give us a detailed, sworn proof of loss within 120 days.

For losses under Forgery Or Alteration Coverage or Money Orders And Counterfeit Currency Coverage, you must include with your proof of loss any instrument involved in that loss or, if that is not possible, an affidavit stating the amount and cause of loss.

4. Cooperate with us in the investigation and settlement of any claim.

**D. Joint Insured** –

1. If more than one insured is named in the Declarations, the first Named Insured will act for itself and for every other insured for all purposes of this insurance. If the first Named Insured ceases to be covered, then

the next Named Insured will become the first Named Insured.

2. If any insured or partner or officer of that insured had knowledge of any information relevant to this insurance, that knowledge is considered knowledge of every insured.

3. An "employee" of any insured is considered to be an "employee" of every insured.

4. If this insurance or any of its coverages is cancelled or terminated as to any insured, loss sustained by that insured is covered only if discovered no later than one year from the date of that cancellation or termination.

5. We will not pay more for loss sustained by more than one insured than the amount we would pay if all the loss had been sustained by one insured.

**E. Loss Sustained During Prior Insurance** –

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

a. This insurance became effective at the time of cancellation or termination of the prior insurance; and

b. The loss would have been covered by this insurance had it been in effect when the acts or events causing the loss were committed or occurred.

2. The insurance under paragraph 1. above is part of, not in addition to, the Limits of Insurance applying to this insurance and is limited to the lesser of the amount recoverable under:

a. This insurance as of its effective date; or

b. The prior insurance had it remained in effect.

3. If any loss is covered:

a. Partly by this insurance; and

- b. Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest

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

**F. Non-Accumulation Of Limit Of Insurance** – Regardless of the number of years this insurance remains in force or the number of premiums paid, the Limits of Insurance do not accumulate from year to year or period to period.

**G. Ownership Of Property; Interests Covered** – The property covered under this insurance is limited to property:

- 1. That you own or hold; or
- 2. For which you are legally liable.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization.

**H. Records** – You must keep records of all property so that we can verify the amount of any loss.

**I. Recoveries** –

- 1. Any recoveries, less the cost of obtaining them, made after settlement of loss covered by this insurance will be distributed as follows:
  - a. To you, until you are reimbursed for any loss that you sustain that exceeds the Limit of Insurance and the Deductible amount, if any;
  - b. Then to us, until we are reimbursed for the settlement made;
  - c. Then to you for any remainder.
- 2. Recoveries do not include any recovery:
  - a. From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
  - b. Of original "securities" after duplicates of them have been issued.

**J. Valuation – Settlement** – We will determine the value of:

- 1. "Money" at its face value. At our option, we may value "money" issued by any country other than the United States of America in the US dollar equivalent determined by the rate of exchange on the day the loss was discovered.

- 2. "Securities" at their value on the close of business on the day the loss was discovered. At our option, we may:

- a. Replace the "securities" in kind. If we do, you must assign to us all your rights, title and interest in and to those "securities"; or

- b. Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities." But we won't pay more than the cost of a bond having a penalty of the lesser of:

- (1) The value of the "securities" at the close of business on the day the loss was discovered; or

- (2) The Limit of Insurance.

- 3. "Property other than money and securities" at its actual cash value on the day the loss was discovered. At our option, we may pay the cost of:

- a. Repairing the property; or

- b. Replacing the property with other property of comparable kind and quality.

**K. Applicable Only to Employee Dishonesty Coverage - Cancellation As To Any Employee** – Employee Dishonesty Coverage is cancelled as to any "employee":

- 1. Immediately upon discovery by:

- a. You; or

- b. Any of your partners, officers or directors not in collusion with the "employee"

of any prior dishonest act committed by that "employee" whether before or after becoming employed by you.

- 2. On the date specified in a notice mailed to you. That date will be at least 30 days after the date of mailing.

The mailing of notice to you at the last known address will be sufficient proof of notice. Delivery of notice is the same as mailing.

**L. Applicable Only to Forgery Or Alteration Coverage** –

- 1. **Facsimile Signature** – We will treat mechanically reproduced facsimile sig-



natures the same as handwritten signatures.

2. **Coverage Territory** – We will cover loss you sustain anywhere in the world.

**VI. DEFINITIONS**

- A. "Banking Premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
- B. "Container" means a locked safe, vault, cash register, cash box or cash drawer located in the "premises."
- C. "Covered Instrument" means a check, draft, promissory note or similar written promise, order or direction to pay a sum certain in "money" that is:
  1. Made or drawn by or drawn upon you; or
  2. Made or drawn by one acting as your agent
 or that is purported to have been so made or drawn.
- D. 1. "Employee" means any natural person:
  - a. While in your service and for 30 days after termination of service;
  - b. Whom you compensate directly by salary, wages or commissions; and
  - c. Whom you have the right to direct and control while performing services for you.
2. "Employee" also means any natural person employed by an employment contractor while that person is subject to your direction and control and performing services for you. This does not include any such person who has care and custody of property outside the "premises."
3. But "employee" does not mean any:
  - a. Agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character; or
  - b. Director or trustee, except while performing acts coming within the scope of the usual duties of an employee.

- E. "Messenger" means you, any of your partners or any "employee" while having care and custody of the property outside the "premises."
- F. "Money" means:
  1. Currency, coins and bank notes in current use and having a face value; and
  2. Travelers checks, register checks and money orders held for sale to the public.
- G. "Occurrence" means:
  1. For Employee Dishonesty Coverage, all loss caused by or involving one or more "employees," whether the result of a single act or a series of acts.
  2. For Forgery Or Alteration Coverage, all loss caused by any person or in which that person is involved, whether the loss involves one or more instruments.
  3. For all other Coverages:
    - a. An act or series of related acts involving one or more persons; or
    - b. An event, or a series of related events not involving any person.
- H. "Premises" means the interior of that portion of any building you occupy in conducting your business.
- I. "Property Other Than Money And Securities" means any tangible property other than "money" and "securities" that has intrinsic value.
- J. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
  1. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  2. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you
 but does not include "money."
- K. "Theft" means any act of stealing.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES**

This endorsement modifies provisions in the following forms:

### COMMERCIAL PROPERTY COVERAGE PART

**The following additional exclusion supersedes any policy provision to the contrary.**

1. Except as specifically provided for in 2. of this endorsement, we will not pay for any **Software Loss**. This exclusion does not apply **if the Software Loss** results solely from direct physical loss of, or direct physical damage to, the equipment, hardware, media or device on which the program, computer software or operating systems, programming instructions, or data are transported, processed or contained.

**Software Loss** means loss of or damage to any program(s), computer software or operating system(s), programming instruction(s) or data arising out of or resulting from any failure, malfunction, deficiency, fault, **Virus**, deletion or corruption. **Software loss** includes, but is not limited to, loss or damage resulting from any authorized or unauthorized access in, of or to any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, any program, computer software or operating systems, programming instructions or data.

2. This exclusion does not apply to direct physical loss or direct physical damage to tangible property that results from a **Software Loss**. For the purposes of this endorsement, program(s), computer software or operating system(s), programming instruction(s) and data are not tangible property.

3. **Virus** means software, data or code that affects the operation or functionality of any computer, communication system, file server, networking equipment, computer system, computer hardware, data processing equipment, computer memory, microchip, microprocessor (computer chip), integrated circuit or similar device in computer equipment, program, computer software or operating systems, programming instructions or data including, but not limited to, any destructive program, computer code, computer virus, worm, logic bomb, denial of service attack, smurf attack, vandalism, Trojan Horse or any other data introduced into any electronic system causing deletion, destruction, degradation, corruption, malfunction or compromise to your data, software or electronic business systems.

**All other terms, conditions and limitations of this Policy remain unchanged.**

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **COMMERCIAL PROPERTY CHANGES**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

- I. In **Section I. COVERED PROPERTY**, the first sentence of Paragraph **A. Building** is amended as follows:
  - A. **Building**, meaning buildings and structures at a "described premises".
- II. In **Section IV. LOSS CONDITIONS**, Paragraph **J.2. Penalty For Underinsurance** does not apply.

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GLASS AMENDATORY ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Under **COVERAGE** Section I. **COVERED PROPERTY**, Paragraph E. **Personal Property**, the following is added to Subparagraph 1.:

- e. Building glass, if you are a tenant and no Limit of Insurance is shown in the Declarations for Building property. The glass must be owned by you or you must be legally responsible to insure the glass under the terms of your lease.

Under **COVERAGE** Section II. **COVERED CAUSES OF LOSS**, Paragraph B. **LIMITATIONS**, Subparagraph 2. is replaced by the following:

2. We will not pay more for loss or damage to glass that is part of a building or structure than \$1000 for each plate, pane, multiple plate insulating unit, radiant or solar heating panel, jalousie, louver or shutter. We will not pay more than \$2000 for all loss of or damage to building glass that occurs at one time.

This limitation does not apply:

- a. To loss or damage by the "specified causes of loss", except vandalism; or
- b. If Full Glass Breakage is shown as "Included" for the "described premises" in the Declarations.

Full Glass Breakage does not apply to stained glass or art glass.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## TENANTS LEASE PROTECTION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Subject to all the provisions of the Commercial Property Coverage Part which do not conflict with any of the provisions of this Endorsement, we will pay for:

**Tenants Lease Protection:**

**A. COVERAGE**

If you are a tenant and your lease is canceled due to direct physical loss resulting from a covered cause of loss at the "described premises", we will pay for:

1. **Your Lost Lease Interest**, meaning the difference between the rent you pay at the "described premises" and rental value of the "described premises" that you lease, up to the lesser of:

- (a) Your Lost Lease Interest for the 12 months following the "period of restoration"; or
  - (b) Your Lost Lease Interest for the period beginning with the end of the "period of restoration" and ending with the normal expiration date of the canceled lease;
- whichever is less.

This coverage for Lost Lease Interest is not limited by the expiration date of this policy.

2. **Bonus Payments**, meaning the unamortized portion of a cash bonus that will not be refunded to you. A cash bonus is money that you paid to acquire your lease. It does not include rent, prepaid rent, or security deposit.

(a) Determine your Monthly Bonus Payments Leasehold Interest by dividing your original costs of Bonus Payments by the number of months remaining in your lease at the time the Bonus Payments were made.

Example:

Original cost of Bonus Payments                      \$12,000

With 24 months left in the lease at the time of the Bonus Payment                      \$12,000 / 24

Monthly Bonus Payments Leasehold Interest                      \$500

(b) Determine the amount we will pay by multiplying the Monthly Bonus Payments Leasehold Interest by the number of months remaining in your lease.

Example:

Monthly Bonus Payments Leasehold Interest                      \$500

With 10 months left in lease                      \$500 x 10

We will pay                      \$5,000

3. **Prepaid Rent**, meaning the unamortized portion of advance rent you paid that will not be refunded to you. This does not include the customary rent due at period intervals.

- (a) Determine your Monthly Prepaid Rent Leasehold Interest by dividing your original cost of Prepaid Rent by the number of months remaining in your lease at the time that the Prepaid Rent is made.

Example:

Original cost of Prepaid Rent \$6,000

With 24 months left in the lease at the time of the Prepaid Rent \$6,000 / 24

Monthly Prepaid Rent Leasehold Interest \$250

- (b) Determine the amount we will pay by multiplying the Monthly Prepaid Rent Leasehold Interest by the number of months left in the lease.

Example:

Monthly Prepaid Rent Leasehold Interest \$250

With 6 months left in lease \$250 x 6

We will pay \$1,500

**B. LIMITS OF INSURANCE**

The most we will pay for all loss due to any one occurrence under this coverage is the limit shown in the schedule of this endorsement.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****MEDICAL PROFESSIONAL EQUIPMENT**

This endorsement modifies insurance provided under the following:

## BUILDING AND PERSONAL PROPERTY COVERAGE FORM

Paragraph **Q.**, **Tools and Equipment, Including Communication Devices** under **COVERAGE SECTION I. COVERED PROPERTY** is replaced by the following:

**Q. Medical Professional Equipment**

1. This Coverage applies to the following Personal Property located anywhere in the Coverage Territory:
  - a. Your equipment, supplies and books usual to the medical, dental, optometric or veterinary profession;
  - b. similar property you own, owned by your employees or for which you may be legally liable; and
  - c. Mobile equipment not permanently installed in a vehicle.
2. This Coverage does not include:
  - a. Automobiles, motor trucks, tractors, trailers or other vehicles designed and principally used for highway transportation;
  - b. Aircraft or watercraft, or property while airborne or waterborne;
  - c. Property located underground;
  - d. Radium; or
  - e. Contraband, or property in the course of illegal transportation or trade.

The most we will pay for loss of or damage to any item under this Coverage is \$2500, unless the item is scheduled along with a higher limit in the Declarations of this policy.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion **1.b.** Earth Movement.

**Extension – Newly Acquired Equipment.**

If you acquire new medical, dental, optometric or veterinary equipment during the Policy Period of a type already covered in this policy by this Coverage, we will automatically cover that property up to 180 days, but not beyond the end of the policy period. The most we will pay in any one occurrence under this extension is \$250,000. You must notify us within 180 days of the acquisition of the property. We will charge additional premium from the date of acquisition.

**Insurance to Value.** All owned property included in this Coverage must be insured for at least 80% of its value at the time of loss or damage. If it is not, you will incur a penalty. The penalty is that we will only pay the proportion of the loss or damage that the Limit of Insurance for this Coverage bears to 80% of the value of the owned property at the time of loss or damage.

Paragraph **a.**, **Tools and Equipment, Including Communication Devices** under **COVERAGE SECTION II. COVERED CAUSES OF LOSS, A. EXCLUSIONS, 4. Special Exclusions** is replaced by the following:

**a. Medical Professional Equipment**

We will not pay for any loss or damage caused by or resulting from:

- (1) Exposure to light; breakage of tubes, bulbs, lamps or articles made largely of glass (except lenses).

But we will pay for such loss caused **directly** by **fire, lightning, explosion, windstorm,**

earthquake, flood, vandalism, aircraft, rioters, strikers, theft or attempted theft, or by accident to the vehicle carrying the property, if these Causes of Loss would be covered under this Coverage Form.

- (2) Processing or work upon the Covered Property.

But we will pay for direct loss caused by resulting fire or explosion, if these Causes of Loss would be covered under this Coverage Form.

- (3) Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
- (4) The weight of a load or lift exceeding the manufacturer-rated lifting capacity of the equipment under operating conditions at the time of loss or damage.



**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **GEORGIA CHANGES**

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

- A.** When this endorsement is attached to the Standard Property Policy **CP 00 99**, the term Coverage Part in this endorsement is replaced by the term Policy.
- B.** The following exclusion and related provisions are added to Paragraph **B.2. Exclusions** in the Causes Of Loss Forms and to any Coverage Form or policy to which a Causes Of Loss Form is not attached:
- 1.** We will not pay for loss or damage arising out of any act committed:
    - a.** By or at the direction of any insured; and
    - b.** With the intent to cause a loss.
  - 2.** However, this exclusion will not apply to deny coverage to an innocent co-insured, provided the loss:
    - a.** Is otherwise covered under this Coverage Part; and
    - b.** Arose out of an act of family violence by an insured against whom a family violence complaint is brought for such act.
  - 3.** If we pay a claim pursuant to Paragraph **B.2.**, our payment to the insured is limited to that insured's legal interest in the property less any payments we first made to a mortgageholder or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.
- C.** The following explanation is added with respect to application of the Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria and the Limited Coverage of the same title:
- With respect to the portion of Covered Property that would still have required repair or replacement had there been no "fungus", wet or dry rot or bacteria, this Exclusion and Limited Coverage will not serve to limit the amount of recovery for such repair or replacement.
- However, the Exclusion and Limited Coverage shall continue to apply to:
- 1.** The cost to treat, contain, remove or dispose of "fungus", wet rot, dry rot or bacteria beyond that which is required to repair or replace Covered Property;
  - 2.** The cost of testing as described in the Limited Coverage; and
  - 3.** Any increase in loss under Business Income and/or Extra Expense Forms resulting from **1.** or **2.** above.
- Regardless of whether the Exclusion and Limited Coverage apply to a loss, the Limit of Insurance on Covered Property is not increased. The maximum recoverable, for the total of the cost to repair or replace Covered Property and any additional covered cost to treat, contain remove, dispose of or test for "fungus", wet or dry rot or bacteria, is the applicable Limit of Insurance on the affected Covered Property.

# Limited Coverage For Fungi, Wet Rot, Dry Rot And Bacteria - Georgia

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the:

COMMERCIAL PROPERTY COVERAGE PART

**A. The following is added under Paragraph 1. of Section II. COVERED CAUSES OF LOSS, A. EXCLUSIONS:**

**"Fungi", Wet Rot, Dry Rot And Bacteria**

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

But if "fungi", wet or dry rot or bacteria results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

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

**B. Paragraph 2.c.(2) under Section II. COVERED CAUSES OF LOSS, A. EXCLUSIONS is replaced by the following:**

- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

**C. Paragraph 2.e. under Section II. COVERED CAUSES OF LOSS, A. EXCLUSIONS is replaced by the following:**

- e. Continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more.

**D. Paragraph D. Building Ordinance or Law under Section III. ADDITIONAL COVERAGES is replaced by the following:**

- D. **Building Ordinance or Law** – If there is an ordinance or law in effect at the time of loss that regulates zoning, land use or construction of a covered building, and if enforcement of that ordinance or law affects the repair or rebuilding of that building following damage by a Covered Cause of Loss:

1. We will pay:

- a. The value of undamaged portions of the building if they must be demolished due to the enforcement of building ordinance or law;
- b. Costs to demolish and clear the site of those undamaged portions;
- c. Increased costs to:
  - (1) Repair or reconstruct damaged portions of that building; and/or
  - (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is the consequence of enforcement of building, zoning or land use ordinance or law.

However, this coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.

- d. The actual loss of "business income" and "extra expense" you sustain solely because the building ordinance or law was enforced. But this paragraph **1.d.** does not apply unless Business Income and Extra Expense is covered in this Coverage Part.

The limit for **1.a.** above is included in the Building limit. The limit for covered losses payable under **1.b.** and **1.c.** above are shown in the Declarations.

2. We will not pay more under paragraphs **1.a.** and **1.b.** above than if the repaired or replaced building were rebuilt:

- a. At the same location, as soon as reasonably possible;
  - b. With the least expensive building materials and construction methods of comparable material and quality;
  - c. In the same style and of the same size; and
  - d. For the same type of occupancy as the one it replaces
- to the extent permitted by the law or ordinance.
- 3. Under this Additional Coverage, we will not pay for:
    - a. The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungi", wet or dry rot or bacteria; or
    - b. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.

If you do not repair or replace the damaged building, we will pay only to demolish and clear the site of the undamaged portions of the building.

The following exclusion in **EXCLUSIONS** (Section II.A.) does not apply to this coverage:

Exclusion **1.a.** Ordinance or Law.

**E.** The following is added to Section III. **ADDITIONAL COVERAGES:**

**Limited Coverage For "Fungi", Wet Rot, Dry Rot And Bacteria**

If "fungi", wet or dry rot or bacteria results from a "specified cause of loss" (other than fire or lightning) that occurs during the policy period, and if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence:

- 1. We will pay for loss or damage by "fungi", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungi", wet or dry rot or bacteria, including the cost of removal of the "fungi", wet or dry rot or bacteria;
  - b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet or dry rot or bacteria; and
  - c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided it is reasonable to believe that "fungi", wet or dry rot or bacteria are present.
- 2. The most we will pay under this Limited Coverage for the sum of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) which take place in each 12 month period (beginning with the effective date of this policy), is \$15,000.
  - 3. We will not pay more than the total of \$15,000 under this Limited Coverage even if the "fungi", wet or dry rot or bacteria continues to be present or active, or recurs, in a later 12 month period.
  - 4. Payments under this Limited Coverage are subject to and not in addition to the applicable Limit of Insurance on any Covered Property.
  - 5. If there is covered loss or damage to Covered Property, not caused by "fungi", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.
  - 6. The terms of this Limited Coverage do not increase or reduce the coverage provided under the exceptions to **2.i.** Collapse under Section II. **COVERED CAUSES OF LOSS, A. EXCLUSIONS** or the coverage provided under **M. Damage By Water, Other Liquid, Powder or Molten Material** under Section III. **ADDITIONAL COVERAGES.**
  - 7. This Limited Coverage applies if a Limit of Insurance is shown in the Declarations for Building or Personal Property.

**F.** The following is added to **Extensions** of Section III. **ADDITIONAL COVERAGES A. Business Income and Extra Expense.** It applies only if Business Income and Extra Expense coverage applies to the "described premises" and only if the suspension of "operations" satisfies all terms and conditions of the Business Income and Extra Expense coverage.

**"Fungi", Wet Rot, Dry Rot And Bacteria**

1. If the loss which resulted in "fungi", wet or dry rot or bacteria does not in itself necessitate a suspension of "operations", but such suspension is necessary due to loss or damage to property caused by "fungi", wet or dry rot or bacteria, we will pay for the actual loss of "business income" and "extra expense" you sustain. However, we will only pay for loss of "business income" and "extra expense" sustained in a period of not more than 30 days. The days need not be consecutive.
2. If a covered suspension of "operations" was caused by loss or damage other than "fungi", wet or dry rot or bacteria, but remediation of "fungi", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for the actual loss of "business income" and "extra expense" you sustain during the delay (regardless of when such a delay occurs during the "period of restoration") but such coverage is limited to 30 days. The days need not be consecutive.

**G.** The following is added to **DEFINITIONS:**

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

The terms and conditions of this endorsement apply solely to insured property that is located in the state of Georgia and listed on the policy Declarations.

**H.** The following explanation is added with respect to application of the Exclusion of "Fungi", Wet Rot, Dry Rot and Bacteria (paragraph **A.** of this endorsement) and the Limited Coverage (paragraphs **E.** and **F.** of this endorsement):

With respect to the portion of Covered Property that would still have required repair or replacement had there been no "fungi", wet or dry rot or bacteria, paragraphs **A.**, **E.** and **F.** of this endorsement will not serve to limit the amount of recovery for such repair or replacement.

However, the Exclusion and Limited Coverage shall continue to apply to:

1. The cost to treat, contain, remove or dispose of "fungi", wet or dry rot or bacteria beyond that which is required to repair or replace Covered Property;
2. The cost of testing as described in the Limited Coverage; and
3. Any increase in loss under Business Income and Extra Expense resulting from **1.** or **2.** above.

Regardless of whether the Exclusion and Limited Coverage apply to a loss, the Limit of Insurance on Covered Property is not increased. The maximum recoverable, for the total of the cost to repair or replace Covered Property and any additional covered cost to treat, contain remove, dispose of or test for "fungi", wet or dry rot or bacteria, is the applicable Limit of Insurance on the affected Covered Property.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS

NEW BUSINESS EFF 09/09/2016



**PRECISION PORTFOLIO POLICY  
COMMERCIAL GENERAL LIABILITY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

**COVERAGES AND LIMITS OF INSURANCE**

Some of these coverages are sublimits or are subject to aggregate limits. Refer to your policy to determine how they apply.

GENERAL AGGREGATE	\$4,000,000
PRODUCTS AND COMPLETED OPERATIONS AGGREGATE	\$4,000,000
EACH OCCURRENCE	\$2,000,000
TENANTS LEGAL LIABILITY	\$2,000,000
MEDICAL EXPENSES - EACH PERSON	\$ 10,000
PERSONAL INJURY AND ADVERTISING INJURY	\$2,000,000
HIRED AND NON-OWNED AUTOMOBILE LIABILITY	\$1,000,000

COMMERCIAL GENERAL LIABILITY

9S2008 Ed. 3-00

09/08/2016

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS			NEW BUSINESS EFF 09/09/2016			



**PRECISION PORTFOLIO POLICY  
COMMERCIAL GENERAL LIABILITY DECLARATIONS  
(CONTINUED)  
PRECISION AMERICA  
OFFICE PROGRAM**

EXCLUSIONS AND LIMITATIONS
<p>ABSOLUTE ASBESTOS EXCLUSION DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES EXCLUSION FUNGUS EXCLUSION</p>

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS

NEW BUSINESS EFF 09/09/2016

**PRECISION PORTFOLIO POLICY  
COMMERCIAL GENERAL LIABILITY SCHEDULE  
PRECISION AMERICA**

LOC #	CLASS CODE	LOCATION ADDRESS (IF APPLICABLE) CLASSIFICATION NAME	RATING BASIS	ANNUAL EXPOSURE
01		2120 W SPRING ST MONROE GA ZIP CODE: 30655-3900		
	80111	MEDICAL OFFICES	NOT APPLICABLE	INCLUDED
02		603 OLD NORCROSS RD LAWRENCEVILLE GA ZIP CODE: 30046-4315		
	80111	MEDICAL OFFICES	NOT APPLICABLE	INCLUDED

COMMERCIAL GENERAL LIABILITY

9S2009 Ed. 3-00

INSURED'S COPY

09/08/2016

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS NEW BUSINESS EFF 09/09/2016



**PRECISION PORTFOLIO POLICY  
SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY  CG2244                      0798	EXCLUSION - SERVICES FURNISHED BY HEALTH CARE PROVIDERS <hr/> DESCRIPTION OF OPERATIONS: MEDICAL OFFICES



# COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

Coverage provided by this form is also subject to all the Conditions in the COMMON POLICY CONDITIONS form.

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## QUICK REFERENCE

SECTION OF THIS FORM	BEGINS ON PAGE
Section I - Coverages .....	1
Coverage A. Bodily Injury and Property Damage Liability .....	1
Coverage B. Personal and Advertising Injury Liability .....	6
Coverage C. Medical Expenses .....	7
Supplementary Payments - Coverages A and B .....	7
Section II - Who Is An Insured .....	8
Section III - Limits of Insurance .....	10
Section IV - Commercial General Liability Conditions .....	11
Section V - Definitions .....	13
Section VI - Broad Form Nuclear Exclusion .....	16

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## SECTION I - COVERAGES

### COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

#### 1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We

may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE**; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under

**SUPPLEMENTARY PAYMENTS - C  
OVERAGES A AND B.**

- b. This insurance applies to "bodily injury" and "property damage" only if:
- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - (2) The "bodily injury" or "property damage" occurs during the policy period.
- c. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) 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. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and

- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**C. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) 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.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

**f. Pollution**

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

(a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

(i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot from equipment used to heat that building;

(ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

(b) At or from 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;

(c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;

(d) At or from 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 if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

(i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

(ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

(iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

(e) At or from 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 if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or 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".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 51 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft;
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment"; or
- (6) An aircraft you do not own that you charter with crew.

**h. Mobile Equipment**

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

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage" due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution. This exclusion applies only to liability assumed under a contract or agreement.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises.
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Tenants Legal Liability as described in **SECTION III - LIMITS OF INSURANCE**.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "productscompleted operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "productscompleted operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss

of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Professional**

- (1) "Bodily injury" or "property damage" arising out of the rendering or failure to render any professional service, including but not limited to:

- (a) Accounting, advertising, architectural, drafting, engineering, financial, insurance or legal services, advice and instruction;
- (b) Medical, cosmetic, dental, ear piercing, hair dressing, massage, physical therapy, veterinary, nursing, surgical or xray services, advice and instruction;
- (c) Use of any tanning booth, tanning bed, tanning equipment or tanning device;
- (d) Laboratory operations or services, whether medical or not; and
- (e) Services performed as a funeral director or as an operator of a cemetery; and
- (f) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.

- (2) This exclusion does not apply to:

- (a) Pharmacological services if:
  - (i) You do business as a retail drug store and do not manufacture or compound in bulk pharmaceuticals for sale by others; and
  - (ii) The "bodily injury" or "property damage" is not caused by the willful violation of a penal statute or ordinance relating to the

sale of pharmaceuticals by or with the knowledge or consent of any insured;

- (b) Optical or hearing aid services, including the prescribing, preparation, production, mounting, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid services.

**p. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

Exclusions **c.** through **o.** do not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Tenants Legal Liability, as described in **SECTION III -LIMITS OF INSURANCE.**

**COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE;** and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C.**

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under **SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.**

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the

offense was committed in the "coverage territory" during the policy period.

**2. Exclusions**

This insurance does not apply to:

- a. "Personal and advertising injury":

- (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
- (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (4) Arising out of the willful violation of a penal statute or ordinance committed by or at with the consent of any insured;
- (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (6) Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs **14.a., b. and c.** of "personal and advertising injury" under **SECTION V - DEFINITIONS;** or
- (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- b. Any loss, cost or expense arising out of any:
  - (1) Request, demand or order 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) 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".
- b. To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. To a person injured on that part of premises you own or rent that the person normally occupies.
- d. To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.
- e. To a person injured while taking part in athletics.
- f. Included within the "productscompleted operations hazard".
- g. Excluded under Coverage A.
- h. Due to war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

## COVERAGE C. MEDICAL PAYMENTS

### 1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations; provided that:
    - (1) The accident takes place in the "coverage territory" and during the policy period;
    - (2) The expenses are incurred and reported to us within three years of the date of the accident; and
    - (3) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - (1) First aid administered at the time of an accident;
  - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral services.

### 2. Exclusions

We will not pay expenses for "bodily injury":

- a. To any insured.

## SUPPLEMENTARY PAYMENTS COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. The cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - c. The cost of bonds to release attachments, but only for bond amounts within the applicable 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 \$250 a day because of time off from work.
  - e. All costs taxed against the insured in the "suit".
  - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:

- (1) Agrees in writing to:
  - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
  - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
  - (c) Notify any other insurer whose coverage is available to the indemnitee; and
  - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

- (2) Provides us with written authorization to:

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of **SECTION I - COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY**, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

**SECTION II - WHO IS AN INSURED**

- 1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also



insureds, but only with respect to their liability as stockholders. Your subsidiaries, and subsidiaries of subsidiaries, are insureds if:

- (1) They are legally incorporated entities; and
- (2) You own more than 50% of the voting stock in them as of the effective date of this policy.

If such subsidiaries are not shown in the Declarations, you must report them to us within 180 days of the inception of this policy.

2. Each of the following is also an insured:

- a. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" is an insured for:

- (1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while that co-"employee" is either in the course of his or her employment or performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" as a consequence of Paragraph **(1)(a)** above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs **(1)(a)** or **(b)** above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

- (2) "Property damage" to property:

- (a) Owned, occupied or used by,

- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by you, any of your "employees", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

- e. Any person or organization with whom you agree, because of a written contract, to provide insurance such as is afforded under this policy, but only with respect to liability arising out of your operations, "your work" or facilities owned or used by you.

This provision does not apply:

- (1) To any vendor, concessionaire, lessor of leased equipment, grantor of a franchise, engineer, architect or surveyor; or
- (2) Unless the contract has been signed prior to the date of "bodily injury", "property damage", or "personal or advertising injury".

- f. Any person or organization to whom you are obligated by virtue of a written "insured contract" to provide insurance such as is afforded by this policy, but only with respect to liability arising out of the ownership, maintenance, or use of that part of any premises leased to you. This does not apply to:

- (1) Any "occurrence" that takes place after you cease to be a tenant on those premises.
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such insured.

g. Any state or political subdivision, but only as respects legal liability incurred by the state or political subdivision solely because it has issued a permit in connection with premises you own, rent, or control for one of the hazards listed below:

- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners or decorations and similar exposures;
- (2) The construction, erection or removal of elevators; or
- (3) The ownership, maintenance or use of any elevators covered by this insurance.

3. With respect to "mobile equipment" registered in your name under any motor vehicle registration law, any person is an insured while driving such equipment along a public highway with your permission. Any other person or organization responsible for the conduct of such person is also an insured, but only with respect to liability arising out of the operation of the equipment, and only if no other insurance of any kind is available to that person or organization for this liability. However, no person or organization is an insured with respect to:

- a. "Bodily injury" to a co-"employee" of the person driving the equipment; or
- b. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.

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

- a. 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;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed 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.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products completed operations hazard"; and
- b. Damages under Coverage **B**.

The General Aggregate Limit applies separately to each location owned by or rented to you. Location, as used here, means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

3. The Products Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products completed operations hazard".

4. Subject to **2.** above, the Personal and Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Subject to **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under Coverage **A**; and
- b. Medical expenses under Coverage **C**

because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Subject to **5.** above, the Tenants Legal Liability Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence".
7. Subject to **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

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

##### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
- (1) How, when and where the "occurrence" or "offense" took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
- (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.
- e. Knowledge of "occurrence", claim or "suit" by an agent, servant or "employee" of an insured (other than an officer or partner) does not imply knowledge by the insured unless the insured has received notice from the agent, servant or "employee".
- f. Failure by an agent, servant or "employee" of an insured (other than an "executive officer", manager or partner) to notify us of an "occurrence" will not be considered an failure to comply with paragraphs a. and b. above.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured obtained after an actual trial; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**4. Motor Vehicle Laws**

With respect to "mobile equipment" to which this insurance applies:

- a. When this Coverage Part is certified as proof of financial responsibility under the provisions of any motor vehicle financial responsibility law, the insurance provided by the Coverage Part for Bodily Injury Liability or Property Damage Liability will comply with the provisions of the law to the extent of the coverage and limits of insurance required by that law.
- b. We will provide any liability, uninsured motorists, underinsured motorists, nofault or other coverages required by any motor vehicle insurance law. We will provide the required limits for those coverages.

**5. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

**b. Excess Insurance**

This insurance is excess over:

- (1) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (a) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (b) That insures for direct physical loss to premises rented to you or temporarily occupied by you with permission of the owner;
  - (c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (d) If the loss arises out of the

maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of **SECTION I -**

**COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY.**

- (2) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any claim or "suit" if any other insurer has a duty to defend the insured against that claim or "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**6. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period. Audit premiums are due and payable on notice to the first Named Insured. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**7. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**8. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**9. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

This condition does not apply to Coverage C. Medical Expenses.

**10. Unintentional Errors And Omissions**

Any unintentional error or omission in the description of, or failure to completely describe,

any premises or operations intended to be covered by this Coverage Part will not invalidate or affect coverage for those premises or operations. But you must report such error or omission to us as soon as practicable after its discovery.

**11. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the non-renewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.
2. "Auto" means a land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment. But "auto" does not include "mobile equipment".
3. "Bodily injury" means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.
4. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, provided the injury or damage does not occur in the course of travel or transportation to or from any place not included in **a.** above; or
  - c. All parts of the world if:
    - (1) The injury or damage arises out of:
      - (a) Goods or products made or sold by you in the territory described in **a.** above; or
      - (b) The activities of a person whose home is in the territory described in **a.** above, but is away for a short time on your business; and
    - (2) The insured's responsibility to pay damages is determined in a "suit" on the

merits, in the territory described in **a.** above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

  - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
  - b. Your fulfilling the terms of the contract or agreement.
9. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. 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 party to pay for "bodily injury" or "property damage" to a third per-

son or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph **f.** does not include that part of any contract or agreement:

- (1) 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, road beds, tunnel, underpass or crossing;
  - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
    - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
  - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in **(2)** above and supervisory, inspection, architectural or engineering activities.
10. "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".
  11. "Loading or unloading" means the handling of property:
    - a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
    - b. While it is in or on an aircraft, watercraft or "auto"; or
    - c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not

attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in **a.**, **b.**, **c.** or **d.** above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators including spraying welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in **a.**, **b.**, **c.** or **d.** 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":

- (1) Equipment with a gross vehicle weight of 1000 lbs. or more and designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication of material that violates a person's right of privacy;
  - f. Misappropriation of advertising ideas or style of doing business; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean 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.
16. "Products-completed operations hazard":
  - a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - a) When all of the work called for in your contract has been completed.

- (a) When all of the work called for in your contract has been completed.
- (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
- (c) 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.

- b. Also includes "bodily injury" and "property damage" arising from the consumption of food or beverages sold, handled or distributed as "your product" at any premises you own or rent.
  - c. Does not include "bodily injury" or "property damage" arising out of:
    - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of that vehicle;
    - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
    - (3) Products or operations for which the classification, listed in this Coverage Part, states that products completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such damages 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 are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or shortterm workload conditions.
20. "Your product" means:
- a. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
    - (1) You;
    - (2) Others trading under your name; or
    - (3) A person or organization whose business or assets you have acquired; and
  - b. Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

"Your product" includes:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- b. The providing of or failure to provide warnings or instructions.

"Your product" does not include vending machines or other property rented to or located for the use of others but not sold.

21. "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:

- a. Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- b. The providing of or failure to provide warnings or instructions.

**SECTION VI - NUCLEAR ENERGY LIABILITY EXCLUSION**

The insurance does not apply:

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



- 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 limits of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) 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 Medical Expenses 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.
  3. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from the "hazardous properties" of "nuclear material", if:
    - a. The "nuclear material" (1) is at any nuclear facility owned by, or operated by or on behalf of, an insured, or (2) 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 any insured; or
    - c. 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 **(c)** applies only to "property damage" to such "nuclear facility" and any property thereat.

"Hazardous properties" include radioactive, toxic or explosive properties;

"Nuclear material" means "source material," "special nuclear material," and "by-product material," which 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 (1) 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 (2) 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.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ELECTRONIC DATA LIABILITY AMENDMENT ENDORSEMENT**

This endorsement modifies provisions in the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. Paragraphs d. & e. of the definition of "personal and advertising injury" in **SECTION V – DEFINITIONS** are deleted and replaced by the following:
    - d. Publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services.
    - e. Publication, in any manner, of material that violates a person's right of privacy.
  2. In **SECTION V – DEFINITIONS** paragraphs 1., 4. and 17. are deleted and replaced by the following:
    1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
      - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
      - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
    4. "Coverage territory" means:
      - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
      - b. International waters or airspace, but only if the injury or damages occurs in the course of travel or transportation between any places in a. above; or
    - c. All other parts of the world if the injury or damage arises out of :
      - (1) Goods or products made or sold by you in the territory described in a. above;
      - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
      - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communicationprovided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.
    17. "Property damage" means:
      - a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
      - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.

As used in this definition, "electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from, computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

3. **2. Exclusions, a. (2) and (3) of SECTION I – COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY** are deleted and replaced by the following:

This insurance does not apply to:

a. "Personal and advertising injury":

(2) Arising out of publication of material, if done by or at the direction of the insured with knowledge of its falsity;

(3) Arising out of publication of material whose first publication took place before the beginning of the policy period.

4. Exclusion (9) of **SECTION I – COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY, 2. Exclusions, a.** is deleted and replaced by the following:

(9) Committed by an insured whose business is:

(1) Advertising, broadcasting, publishing or telecasting;

(2) Designing or determining content of web-sites for others; or

(3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14. a., b. and c.** of "personal and advertising injury" under the Definitions Section.

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

5. The following additional exclusions are added to **SECTION I – COVERAGE B. PERSONAL AND ADVERTISING INJURY, 2. Exclusions, a.:**

(11) Arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control;

(12) Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights;

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan; or

(13) Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

POLICY NUMBER:

COMMERCIAL GENERAL LIABILITY  
CG 00 62 12 02

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## WAR LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A.** Exclusion i. under Paragraph 2., **Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability** is replaced by the following:

### 2. Exclusions

This insurance does not apply to:

#### i. War

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

- (1) War, including undeclared or civil war; or
- (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.

**B.** The following exclusion is added to Paragraph 2., **Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability**:

### 2. Exclusions

This insurance does not apply to:

#### WAR

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- a. War, including undeclared or civil war; or
- 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.

**C.** Exclusion h. under Paragraph 2., **Exclusions of Section I - Coverage C - Medical Payments** does not apply. Medical payments due to war are now subject to Exclusion g. of Paragraph 2., **Exclusions of Section I - Coverage C - Medical Payments** since "bodily injury" arising out of war is now excluded under Coverage A.

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**PERSONAL AND ADVERTISING INJURY REDEFINED**

This endorsement modifies provisions in the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

1. Paragraph **f.** of the definition of "personal and advertising injury" in **SECTION V - DEFINITIONS** is deleted and replaced by the following:
  - f.** The use of another's advertising idea in your "advertisement"; or

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TWO OR MORE COVERAGE FORMS OR POLICIES  
ISSUED BY US**

This endorsement modifies provisions in the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "occurrence", offense, claim or "suit", the Limits of Insurance under all the Coverage Forms or policies applicable to such "occurrence", offense, claim or "suit" shall not exceed the highest applicable Limits of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or affiliated company specifically to apply as excess insurance over this Coverage Form.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **AMENDMENT OF INSURING AGREEMENT - KNOWN INJURY OR DAMAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART (OCCURRENCE VERSION)

Paragraph 1. Insuring Agreement of Section I – Coverage A – Bodily Injury And Property Damage Liability is replaced by the following:

### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
  - (2) The "bodily injury" or "property damage" occurs during the policy period; and
  - (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.
- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
  - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
  - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
  - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".



COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **FUNGUS EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" caused directly or indirectly, in whole or in part, by:

1. Any "fungus(es)" or "spore(s)", or
2. Any substance, vapor or gas produced by or arising out of any "fungus(es)" or "spore(s)", or
3. Any material, product, building component, building or structure that contains, harbors, nurtures or acts as a medium for any "fungus(es)" or "spore(s)"

regardless of any other cause, event, material, product and/or building component that contributed concurrently or in any sequence to that injury or damage.

For the purposes of this endorsement, the following definitions are added:

"Fungus(es)" includes, but is not limited to, any form or type of mold, mushroom or mildew.

"Spore(s)" means any reproductive body produced by or arising out of any "fungus(es)".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - VIOLATION OF STATUTES THAT GOVERN  
E-MAILS, FAX, PHONE CALLS OR OTHER METHODS OF  
SENDING MATERIAL OR INFORMATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2.,  
Exclusions of Section I – Coverage A – Bodily Injury  
And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**DISTRIBUTION OF MATERIAL IN  
VIOLATION OF STATUTES**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**B. The following exclusion is added to Paragraph 2.,  
Exclusions of Section I – Coverage B – Personal  
And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**DISTRIBUTION OF MATERIAL IN  
VIOLATION OF STATUTES**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EXCLUSION - SERVICES FURNISHED BY HEALTH CARE PROVIDERS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

**Description Of Operations:**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to Paragraph **2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph **2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability**:

With respect to any operation shown in the Schedule, this insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of:

1. The rendering or failure to render:

- a. Medical, surgical, dental, x-ray or nursing service, treatment, advice or instruction, or the related furnishing of food or beverages;

- b. Any health or therapeutic service, treatment, advice or instruction; or
  - c. Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming.
2. The furnishing or dispensing of drugs or medical, dental or surgical supplies or appliances; or
  3. The handling or treatment of dead bodies, including autopsies, organ donation or other procedures.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

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.

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

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.

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **PREMIUM AUDIT WAIVER**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

In **Section IV, COMMERCIAL GENERAL LIABILITY CONDITIONS**, Paragraph **6. Premium Audit** does not apply.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **ABSOLUTE ASBESTOS EXCLUSION**

This endorsement modifies insurance provided under coverage parts as designated below. This endorsement contains two sections and each section pertains to a different coverage part. Please compare the coverage parts listed on the Declarations page with the coverage parts referenced in both Section 1 and 2 of this endorsement to determine the applicability of each section. PLEASE READ THIS ENTIRE ENDORSEMENT CAREFULLY.

1. This section modifies insurance provided under the:

### **Commercial General Liability Coverage Part**

The following exclusion is added to paragraph 2. **Exclusions of Section I Coverage A Bodily Injury And Property Damage Liability and Coverage B Personal And Advertising Injury Liability:**

### **2. Exclusions**

This insurance does not apply to:

#### **Asbestos**

- (1) "Bodily injury", "property damage" or "personal and advertising injury" arising out of or which would not have occurred, in whole or in part, but for the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to the injury or damage; or
- (2) Any sums that any insured or other entity must pay, repay or reimburse because of any:
  - (a) Request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
  - (b) Claim or "suit" for damages arising out of or relating in any way to any

request, demand, order, statutory or regulatory requirement, direction or determination that any insured or others test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or

- (3) Any other loss, cost or expense arising out of or relating in any way to asbestos.

2. This section modifies insurance provided under the:

### **Commercial Property Coverage Part**

Notwithstanding any other provision of this policy, the insurance provided by any of the above does not apply to any of the following:

- a. Any physical loss or damage caused by or resulting from asbestos, regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage; or
- b. Any demand, requirement, order, direction, determination, or request that you or any other entity pay, repay or reimburse sums expended or to be expended to test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- c. Any demand, requirement, order, direction, determination, or request that you or any other entity test for, investigate, monitor, clean up, remove, study, contain, treat, encapsulate, control or take any other action regarding asbestos; or
- d. Any sums that you become legally obligated to pay because of the actual, alleged or threatened discharge, dispersal, release, leakage, leaching, friability, flaking, escape or presence of asbestos.

However, this section does not exclude coverage for debris removal, including the removal of asbestos debris, if the debris is caused by or results from a Covered Cause of Loss that occurs during the policy period and such coverage is otherwise provided under the applicable

coverage part(s) (See Additional Coverages provisions of applicable coverage part). The coverage for debris removal, if any, shall be subject to all of the terms, conditions and limitations prescribed in the applicable coverage part for such coverage.

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT
D	PAS 12557890	44194N	F006598657-001-00001	NONE

Branch: GR GRAND RAPIDS

NEW BUSINESS EFF 09/09/2016

**EMPLOYMENT PRACTICES INSURANCE COVERAGE DECLARATIONS  
STANDARD**

THIS IS A CLAIMS MADE AND REPORTED POLICY. SUBJECT TO ITS TERMS, THIS POLICY APPLIES ONLY TO ANY CLAIM FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR THE EXTENDED REPORTING PERIOD, IF APPLICABLE, PROVIDED SUCH CLAIM IS REPORTED IN WRITING TO THE INSURER AS SOON AS PRACTICABLE. WITHOUT NEGATING THE FOREGOING REQUIREMENTS, SUCH NOTICE OF CLAIM MUST ALSO BE REPORTED NO LATER THAN 30 DAYS AFTER THE END OF THE POLICY PERIOD OR, IF APPLICABLE, THE EXTENDED REPORTING PERIOD. AMOUNTS INCURRED AS DEFENSE COSTS SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE INSURER SHALL NOT BE LIABLE FOR ANY DEFENSE COSTS OR FOR ANY JUDGMENT OR SETTLEMENT AFTER THE LIMIT OF LIABILITY HAS BEEN EXHAUSTED. PLEASE READ THIS POLICY CAREFULLY AND DISCUSS THE COVERAGE WITH YOUR INSURANCE AGENT.

**Limit of Liability (Includes Cost of Defense)**

Each Insured Event Limit	\$ 50,000
Aggregate Limit of Liability	\$ 50,000

**Self Insured Retention (Includes Cost of Defense)**

Any One Insured Event	\$ 2,500
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**Prior Knowledge Date**

Prior Knowledge Date: 09/09/2016

**Retroactive Date**

Retroactive Date: 09/09/2016



## EMPLOYMENT PRACTICES LIABILITY INSURANCE - STANDARD

**THIS IS A CLAIMS MADE AND REPORTED POLICY. AMOUNTS INCURRED AS DEFENSE COST SHALL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY AND ARE SUBJECT TO THE RETENTIONS. THE INSURER SHALL NOT BE LIABLE FOR ANY DEFENSE COST OR FOR ANY JUDGMENT OR SETTLEMENT AFTER THE LIMIT OF LIABILITY HAS BEEN EXHAUSTED.**

The consideration for our issuing this policy is the payment of Premium; in issuing the policy, we have relied upon all statements made to us in the **Application** and any attachments and all other information provided to us. The **Application** and attachments are incorporated herein and form a part of this policy.

Throughout this policy the words “**you**” and “**your**” refer to the **Named Insured** shown in the Declarations.

Under this policy the words “**we**”, “**us**” and “**our**” refer to the Underwriters providing this insurance.

The word “Insured” means any person or organization qualifying as such under **WHO IS INSURED**.

**READ THIS POLICY CAREFULLY TO DETERMINE THE EXTENT OF COVERAGE. IMPORTANT: THIS IS A CLAIMS FIRST MADE AND REPORTED POLICY WHICH INCLUDES COSTS OF DEFENSE WITHIN THE LIMIT OF LIABILITY.**

### I. COVERAGE: WHAT IS COVERED

A. We will pay **Loss** amounts that an **Insured** is legally obligated to pay on account of a **Claim** because of an **Insured Event** to which this policy applies. However, the amount we will pay is limited as described in the **LIMIT OF LIABILITY** and **SELF INSURED RETENTION** sections of this policy.

B. This policy applies only if:

(1) A **Claim** is first made against an **Insured** in accordance with **WHEN COVERAGE IS PROVIDED**;

(2) The **Claim** is reported in accordance with **WHEN COVERAGE IS PROVIDED** and **CONDITIONS** section **VIII.A. Duties in the event of a Claim**;

(3) A **Claim** is first made against an **Insured** in accordance with **WHERE COVERAGE IS PROVIDED**; and

(4) A **Claim** is first made against an **Insured** based upon an **Insured Event** that first occurred after the Retroactive Date set forth in the Declarations.

C. **Defense.** We have the right and duty to defend any **Claim** for an **Insured Event** made

or brought against any **Insured** to which this policy applies. We have the right to choose counsel to defend a **Claim** that we are covering. We have no duty to provide other services or take other actions. Our duty to defend any **Claim** ends when the **LIMIT OF LIABILITY** that applies has been exhausted, and in such event, the **Named Insured** shall, upon notice from us, promptly take over control of the defense.

We have the right to investigate and to settle any **Claim** for an **Insured Event** in the manner and to the extent that we believe is proper, contingent upon the consent of the **Named Insured** as defined in this policy. This includes the right to agree to post a notice of compliance, provided such notice does not contain an admission of liability.

You may take over control of any outstanding **Claim** previously reported to us only if we both agree that you should, if required under law or if a court orders you to do so.

If your **LIMIT OF LIABILITY** is exhausted, we will notify you of all outstanding **Claims** so that you can take over control of their defense. We will help to transfer control to you.

D. **During the transfer of control.** We agree to take whatever steps are necessary to continued the defense of any outstanding

**Claim** and avoid a default judgment during the transfer of control to you. If we do so, you agree to pay reasonable expenses that we incur for taking such steps after the **LIMIT OF LIABILITY** is exhausted.

- E. Duty to pay.** We have the duty to pay any **Loss** (after you pay the applicable self-insured retention) that results from any **Claim** for an **Insured Event** made or brought against any **Insured** to which this policy applies. Our duty to pay ends when the applicable **LIMIT OF LIABILITY** has been exhausted. We will not pay more than the applicable **LIMIT OF LIABILITY**.

We have the duty to pay **Defense Costs** incurred (after you pay the applicable self-insured retention) for the defense of any **Claim** that is controlled by us. Any payment of **Defense Costs** is included in the **LIMIT OF LIABILITY**, it is not in addition to the **LIMIT OF LIABILITY**.

- F. Recommended Settlements.** As respects any **Claim** for which we recommend that a settlement offer be accepted but you do not give your consent to such settlement, and the **Claim** later results in a judgment or settlement in excess of the recommended settlement, our liability for **Loss** on account of such **Claim** shall not exceed the recommended settlement amount plus **Defense Costs** incurred as of the date we recommended the settlement. This provision shall not apply unless the total **Loss**, including the recommended settlement, would exceed the applicable Retention amount.

## II. DEFINITIONS

- A. Application** means each and every signed **Application**, any attachments to such **Applications**, other materials submitted therewith and incorporated therein and any other such documents submitted in connection with the underwriting of this policy or the underwriting of any other employment practices liability policy issued by us, or any of our affiliates, of which this policy is a renewal, replacement or which succeed it in time.
- B. Claim(s)** means a written complaint or written charge made against an **Insured** or a written demand made against an **Insured** in which damages are alleged or where specific charges of **Discrimination, Harassment, Inappropriate Employment Conduct** are brought.

**Claim** includes a civil action, suit or administrative proceeding, to which any

Insured must submit or to which any **Insured** submits with our consent.

But **Claim** shall not mean any labor or grievance arbitration subject to a collective bargaining agreement; or any complaint, writ or other proceeding in which an **Insured** is alleged to have committed or engaged in a criminal offense or violation of a federal, state or local penal law.

- C. Defense Costs** means those reasonable and necessary expenses that result from the investigation, settlement or defense of a specific **Claim** including attorney fees and expenses, the cost of legal proceedings, the cost of appeal bonds, the cost of bonds to release property being used to secure a legal obligation (but only for bond amounts within the **LIMIT OF LIABILITY** that applies). We have no obligation to furnish any bonds.

The following are not **Defense Costs**: costs incurred by any Insured before notice is provided to us; salaries and expenses of your employees, including in-house and/or coverage attorneys, salaries and expenses of our employees, or our in-house or coverage attorneys or the fees and expenses of independent adjusters we hire.

- D. Discrimination** means termination of the employment relationship, a demotion, a failure or refusal to hire or promote, denial of an employment benefit or the taking of any adverse or differential employment action because of race, color, religion, age, sex, disability, pregnancy, sexual orientation, national origin, or any other basis prohibited by federal, state or local law occurring on or after the Retroactive Date as shown in the Declarations.

This policy covers retaliation claims based on unlawful discrimination occurring on or after the Retroactive Date as shown on the Declarations Page, except as excluded in **EXCLUSIONS: WHAT IS NOT COVERED** section **IX**.

- E. Employee** means an individual whose labor or service is engaged by and directed by the Named Insured, or any covered entity. This includes volunteers, part time, seasonal and temporary Employees as well as any individual employed in a supervisory, managerial or confidential position. Independent contractors and sub contractors are not Employees unless they are dedicated agents or representatives of an **Insured**.

**Employees** who are leased to another employer are not **Employees**.

- F. Harassment** means unwelcome sexual or non-sexual advances, requests for sexual or non-sexual favors or other verbal, visual or physical conduct of a sexual or non-sexual nature, where such harassment occurs on or after the Retroactive Date as shown in the Declarations and is based on a factor or category prohibited by law (including sex, race, age, national origin, disability, etc.), that (1) explicitly or implicitly are made a condition of employment, (2) are used as a basis for employment decisions, or (3) create a work environment that interferes with performance.
- G. Inappropriate Employment Conduct** means any of the following occurring on or after the Retroactive Date as shown in the Declarations:
1. actual or constructive termination of an employment relationship in a manner which is alleged to have been against the law or wrongful or in breach of an implied employment contract or breach of the covenant of good faith and fair dealing in the employment contract;
  2. allegations of wrongful demotion, or wrongful discipline;
  3. allegations of misrepresentation made by an **Employee**, a former **Employee** or an applicant for employment which arise from an **Insured's** employment decision to hire, fire, promote or demote;
  4. allegations of infliction of emotional distress, mental injury, mental anguish, shock, sickness, disease or disability made by an **Employee**, a former **Employee** or an applicant for employment which arise from an **Insured's** employment decision to hire, fire, promote or demote;
  5. allegations of false imprisonment, detention or malicious prosecution made by an **Employee**, a former **Employee** or an applicant for employment which arise from the **Insured's** an employment decision to hire, fire, promote or demote;
  6. allegations of libel, slander, defamation of character or any invasion of right of privacy made by an **Employee**, a former **Employee** or an applicant for employment which arise from an **Insured's**

employment decision to hire, fire, promote or demote; or

7. other personal injury allegations made by an **Employee**, a former **Employee** or an applicant for employment which arise from an **Insured's** employment decision to hire, fire, promote or demote.

**Inappropriate Employment Conduct** shall not include any allegations other than those set forth above.

- H. Insured Event** means actual or alleged acts of **Discrimination**, **Harassment**, and/or **Inappropriate Employment Conduct**, by an **Insured** against an **Employee** or former **Employee** or applicant for employment with an **Insured** entity occurring on or after the Retroactive Date as shown in the Declarations. **Insured Event** shall not include **Claims** for actual or alleged violation of any federal, state or local wage and hour laws or regulations.
- I. Laundry List Notification** means any attempt by an **Insured** to report multiple matters under this policy in a summary fashion that does not comply with **CONDITIONS** section **VIII. A. or B.** By way of example, a **Laundry List Notification** may consist of a report by an **Insured** that lists purported potential claimants, either in the absence of a **Claim**, or in the absence of an oral complaint.
- J. Loss** means damages, judgments (including prejudgment and post judgment interest awarded against an **Insured** on that part of any judgment paid by us), settlements, we authorize or agree to, statutory attorney fees and **Defense Costs**.

However, **Loss** does not include anything specifically excluded in **EXCLUSIONS: WHAT IS NOT COVERED** section **IX**, or any of the following:

1. salary or wages of the **Insured**;
2. non-monetary relief (this provision does not apply to Defense Costs where non-monetary relief is sought for alleged **Harassment**, **Discrimination**, **Inappropriate Employment Conduct**;
3. payment of insurance plan benefits by or on behalf of retired **Employees**, or that to which a claimant would have been entitled as an **Employee** had any **Insured** provided the claimant with a continuation of insurance;

4. liquidated damages where there is a finding of wilfulness;
5. costs incurred by an **Insured** to modify or adapt any building or property in order to make such building or property more accessible or accommodating to any disabled person; costs associated with eliminating non-essential duties from the job description of a disabled person; costs associated with providing a disabled person with reasonable workplace accommodations; and costs associated with lost productivity by an employer as the result of making a reasonable workplace accommodation for a disabled person;
6. matters which may be deemed uninsurable according to the law under which this policy is construed;
7. amounts owed under federal, state or local wage and hour laws;
8. amounts owed under a contract of employment;
9. commissions, bonuses, profit sharing or benefits pursuant to a contract of employment, including but not limited to vacation, holiday, and/or sick pay;
10. severance payments or obligations to make payments;
11. amounts that are sought or deemed to be owed under partnership, stock or other ownership agreements;
12. fines, penalties and taxes; or
13. punitive or exemplary damages.

**K. One Insured Event** means (1) one or more covered allegations of **Discrimination, Harassment** and/or **Inappropriate Employment Conduct** which are related by an unbroken chain of events or (2) class action or multiple claimant or multiple plaintiff suits arising out of related **Insured Events**.

**L. Subsidiary** means any organization more than 50% owned by the Named Insured listed in the **Application**.

### III. WHEN COVERAGE IS PROVIDED

**A.** This policy applies only to **Claims** arising out of an **Insured Event** first made or brought during the **Policy Period** and which are reported to us in accordance with the policy's notice provisions as set forth in **CONDITIONS** section **VIII. A. Duties in the Event of a**

**Claim. Claims** are considered to be first made when it is first served or received by the **Insured**.

**B.** All **Claims** because of **One Insured Event** will be considered to have been made or brought on the date that the first of those **Claims** was first made or brought.

**C.** Limited Reporting Period means the thirty (30) day period after the policy ends, during which **Claims** because of **Insured Events** which happen or commence during the **Policy Period** and are reported in accordance with section **I.** and **VIII.** of the policy can be made.

**D.** Extended Reporting Period. If you cancel this Policy or this Policy is non-renewed, you shall have the right to buy an Extended Reporting Period Endorsement providing an extended reporting period of up to twelve (12) months from the end of the Policy Period, or the effective date of cancellation, whichever is earlier, in exchange for your payment of an additional premium. You do not have this right, however, if we cancel for nonpayment of premium.

The Extended Reporting Period Endorsement will not be issued unless we receive a written request for it within thirty (30) days after this policy is cancelled or non-renewed, nor will it take effect unless the additional Premium is paid within thirty (30) days after this policy is cancelled or non-renewed. Once that Premium is paid the endorsement may not be cancelled and the additional Premium will be fully earned.

The additional premium for a 12 month Extended Reporting Period will be one hundred percent (100%) of the premium charged for the last Policy Period.

However, the Extended Reporting Period will not apply to any **Claim** if other insurance you buy covers you or would cover you if its limits of coverage had not been exhausted.

Coverage under the Extended Reporting Period is with respect to **Claims** first made against an **Insured** during the Policy Period or Extended Reporting Period and first reported by an **Insured** during the Extended Reporting Period, provided always that **Claims** reported during the Extended Reported Period are limited to **Insured Events** which happen or commence before the original Policy Period ends by either cancellation or non-renewal and which are otherwise covered by this policy.

The **LIMIT OF LIABILITY** that applies at the end of the Policy Period is not renewed or increased and the Limits, as shown in the Declarations, shall not be increased in any way by the Limited Reporting Period or the addition of the Extended Reporting Period.

- E. If, during the Policy Period, any of the following changes occur:
1. the acquisition of an **Insured**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of an **Insured** into or with another entity such that the **Insured** is not the surviving entity; or
  2. the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate over fifty percent (50%) of the directors of an **Insured**

coverage under this policy with respect to such **Insured** will continue in full force and effect with respect to **Claims** for **Insured Events** committed before such change, but coverage with respect to such **Insured** will cease with respect to **Claims** for **Insured Events** committed after such change. After any such change, this policy may not be cancelled, regardless of **CONDITIONS** section **VIII.F.** Cancellation, and the entire Premium for the policy will be deemed fully earned.

#### IV. WHERE COVERAGE IS PROVIDED

This policy covers **Claims** made and **Insured Events** occurring anywhere in the United States of America or its territories.

#### V. WHO IS INSURED

- A. **Individual.** If you are shown in the Declarations as an individual, you and your spouse are **Insureds** but only for the conduct of a business of which you are the sole owner.
- B. **Corporation.** If you are shown in the Declarations as a corporation or organization other than a partnership or joint venture, you are an **Insured**. Your stockholders are also **Insureds**, but only with respect to their liability as your stockholders.
- C. **Partnership or Joint Venture.** If you are shown in the Declarations as a partnership or joint venture, you are an **Insured**. Your partners or co-venturers and their spouses are also **Insureds**, but only for the conduct of your business.

However, no person nor organization is covered for the conduct of any current or past partnership or joint venture not named in the Declarations.

- D. **Other.** If you are a Limited Liability Corporation (LLC), or a Limited Liability Partnership ('LLP') of the Named Insured and you are shown in the Declarations as 'Other' you are an **Insured**. Your members, partners and shareholders are also **Insureds** but only with respect to the conduct of your business.
- E. **Employees.** Your **Employees**, executive officers, directors and your trustees are **Insureds** only for the conduct of your business within the scope of their employment. Your **Employee's** status as an **Insured** will be determined as of the date of the **Discrimination, Harassment, Inappropriate Employment Conduct**, which caused an **Insured Event**.
- F. **Mergers and Acquisitions.** Any organization that you newly acquire, form or merge with while this policy is in effect that has less than 10% of the total number of your **Employees** as of the inception date of this policy shall be an **Insured** at the time of such acquisition, merger or formation if you own at least fifty one percent (51%) of it. Within thirty (30) days prior to the expiration of the policy, the **Insured** shall give us written notice as to all such organizations. If you acquire, form or merge with any organization that has more than 10% of the total number of your **Employees** as of the inception date of this policy, such organization is also an **Insured** if you own at least fifty one (51%) of it; provided, however, no such organization is covered for more than forty five (45) days or the remainder of the Policy Period, whichever is less, from the date acquired, merged or formed unless we agree to cover such acquisition or newly formed organization within such forty five (45) day period in consideration of an additional Premium to be determined by us. Notwithstanding the foregoing, any acquired or formed organization is neither covered for **Loss** that results from an **Insured Event** that happened or first commenced before the **Insured** acquired or formed it; nor for **Loss** covered under any other insurance.

This provision does not apply to a partnership or joint venture. Nor does it apply to any organization once it is shown in the Declarations of this policy.

- G. Subsidiary.** Any organization more than 50% owned by the Named **Insured** and listed in the **Application** shall be an **Insured**.

## VI. LIMIT OF LIABILITY

- A.** The amount shown in the Declarations as the "Each Insured Event Limit" is the most we will pay for **Claims** first made or brought during the Policy Period for **Loss** that results from any **One Insured Event** regardless of the number of **Claims**.
- B.** The amount shown in the Declarations as the "Aggregate Limit of Liability" is the most we will pay for the combined total of all **Claims** first made or brought during the Policy Period for **Loss** that result from all **Insured Events**.

If this Policy Period is extended, the Limits, as shown in the Declarations shall not in any way increase. For purposes of the **LIMIT OF LIABILITY**, any policy extension is considered to be part of and not in addition to the former Policy Period.

## VII. SELF INSURED RETENTION

Our obligation to pay under this policy applies only to covered amounts in excess of any Self Insured Retention amount that the insured must pay, as shown in the Declarations, and the **LIMIT OF LIABILITY** will not be reduced by the amount of such Self Insured Retention.

The Self Insured Retention amount will apply separately to each **Claim** made, however, it will only apply once to all **Claims** arising out of any **One Insured Event** regardless of the number of claimants who allege damages.

If, prior to terminating or demoting an **Employee** the **Insured** consults with and follows the advice of a labor law attorney approved by our Authorized Representative, then the **Insured's** Self Insured Retention is reduced by 50% in the event the **Insured** faces a **Claim** involving such termination or demotion.

## VIII. CONDITIONS

We have no duty to provide coverage under this policy unless there has been full compliance with all the conditions contained in this policy.

### A. Duties in the event of a Claim

1. You must see to it that we or our Authorized Representative are notified as soon as practicable but in no event more than thirty days (30) after any **Insured** who is a principal, partner, officer, director, trustee, in house counsel,

Employee(s) within the HR Risk Management department or **Employee(s)** with personnel and risk management responsibilities, becomes aware that a **Claim** has been made. Your notification should include:

- (a) the identity of the person(s) alleging **Discrimination, Harassment, Inappropriate Employment Conduct;**
- (b) the identity of any Insured(s) who allegedly committed the **Discrimination, Harassment, Inappropriate Employment Conduct;**
- (c) the identity of any witnesses to the alleged **Discrimination, Harassment, Inappropriate Employment Conduct;** and
- (d) the date(s) an **Insured Event** took place.

### 2. You and any other **Insured** must:

- (a) immediately send us or our Authorized Representative copies of any demands, notices, summonses or legal papers received in connection with the **Claim**;
- (b) authorize us or our Authorized Representative to obtain statements, records and other information;
- (c) co-operate with us or our Authorized Representative in the investigation or defense of the **Claim**; and
- (d) assist us or our Authorized Representative in the enforcement of any right against any person or organization which may be liable to an **Insured** because of **Loss** to which this policy may also apply.

### 3. No **Insured** will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent. Subsequent payments that are deemed by us as having been prejudiced by any such voluntary payment will also be the sole responsibility of the **Insured**.

### B. Report of a Potential Claim

Solely at an **Insured's** option, an **Insured** may within the Policy Period report an oral complaint by an **Employee**, former **Employee**

or applicant for employment alleging **Discrimination, Harassment and/or Inappropriate Employment Conduct**. If such report is received by us or our Authorized Representative within the Policy Period then any **Claim** subsequently arising from such oral complaint will be deemed to be made on the date such report was received. Such report must include the identity of the person(s) making the oral complaint. In no event, however, is an **Insured** entitled to coverage under this policy based on a Laundry List Notification.

### C. Legal Action Against Us

1. No person or organization has the right under this policy:
  - (a) to join us as a party or otherwise bring us into a suit asking for damages from an **Insured**; or
  - (b) to sue us on this policy unless all of its terms have been fully complied with.
2. A person or organization may sue us to recover on an agreed settlement or on final judgment against an **Insured** obtained after an actual trial, but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable **LIMIT OF LIABILITY**. An agreed settlement means a settlement and release of liability signed by us, an **Insured** and the claimant's legal representative.

### D. Other Insurance

This policy shall be deemed primary insurance in connection with covered **Claims** by **Employees** against an **Insured** because of an **Insured Event**. In connection with any other covered **Claim**, this Policy shall apply in excess of all indemnity rights of an **Insured** and in excess of any other valid or collectible insurance available to any **Insured**. Nothing herein is intended to make this policy subject to the terms, conditions and limitations of any other insurance, and nothing herein is intended to limit our or any **Insured's** right to contribution or indemnity from any other party, insurer or indemnitor.

### E. Premium

The Premium shown in the Declarations is for the Policy Period shown in the Declarations.

### F. Cancellation

You may only cancel this policy by mailing to

us written notice stating when, not less than thirty (30) days thereafter such cancellation shall be effective. We may cancel this policy for any reason, including non-payment of Premium, by mailing to the Named Insured at the address shown in the Declarations, written notice stating when, not less than ten (10) days thereafter, such cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The effective date and hour of cancellation as stated in the notice shall become the end of the Policy Period. Delivery of such written notice shall be equivalent to mailing.

If this policy is cancelled, we will send the first Named Insured any unearned premium refund due. If we cancel, the refund will be pro rata. Refund Premium adjustments may be made at the time cancellation becomes effective, but payment or tender of unearned Premium is not a condition of cancellation.

If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund. However, Premium shall be deemed fully earned if any **Claim** under this policy is reported to us on or before the date of cancellation.

### G. Representations

By accepting this policy you agree:

1. all statements in the **Application** and any attachments as well as all other information provided to us are true and complete and shall be deemed material to the acceptance of the risk or the hazard assumed by us under this policy;
2. those statements are based upon representations you made to us;
3. we have issued this policy in reliance upon your representations;
4. in the event that any statement or representation in the **Application** is untrue, this Policy in its entirety shall be void at inception and of no effect whatsoever; and
5. to disclose any material facts you become aware of between the time that the **Application** for this policy is signed and the policy inception date.

The truth of any statement or representation in the **Application** shall be determined without regard to whether any **Insured** knew the

**Application** contained such untrue statement or representation.

#### H. When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the **Named Insured** shown in the Declarations, written notice of the non-renewal not less than sixty (60) days before the expiration date.

If notice is mailed, proof of mailing will be sufficient notice of non-renewal.

#### I. Transfer Of Rights Of Recovery Against Others to Us

If any Insured has rights to recover all or part of any payments we have made under this policy, those rights are transferred to us; the **Insured** must do nothing after a Loss to impair them. At our request, any **Insured** will bring suit or transfer those rights to us and help us to enforce them.

#### J. Bankruptcy

Bankruptcy or insolvency of any **Insured** or of an **Insured's** estate will not relieve us of our obligations under this policy, except as excluded in **EXCLUSIONS: WHAT IS NOT COVERED** section **IX**.

#### K. False Or Fraudulent Claims

If any **Insured** shall proffer any **Claim** knowing the same to be false or fraudulent as regards amount or otherwise, this policy will become void in its entirety and all coverage hereunder shall be forfeited.

### IX. EXCLUSIONS: WHAT IS NOT COVERED

**A. Worker's Compensation, ERISA, FLSA, NRLA, WARN, COBRA and OSHA.** This policy does not cover any **Loss** arising out of any **Claim** alleging violation of any: i) worker's compensation, disability benefits or unemployment compensation law, social security and other employment benefits law; ii) the Employee Retirement Income Security Act of 1974 Public Law 93-406; iii) the Fair Labor Standards Act (except the Equal Pay Act); (iv) the National Labor Relations Act; (v) the Worker Adjustment and Retraining Notification Act; (vi) the Consolidated Omnibus Budget Reconciliation Act of 1985; (vii) the Occupational Safety and Health Act; (viii) any other federal, state or local statute or law similar to any statute or law described in (i) through (vii) of this exclusion; provided, however, this exclusion shall not apply to any **Claim** for any actual or

alleged retaliatory treatment of the claimant on account of the claimant's exercise of rights pursuant to such statute, law, rule or regulation.

**B. Contractual Liability.** This policy does not cover any **Loss** based upon, arising out of, directly or indirectly in connection with, related to, or in any way involving any **Claim** any **Insured** is obligated to pay by reason of the assumption of another's liability for an **Insured Event** in a contract or agreement. This exclusion will not apply to liability for damages because of an **Insured Event** that any **Insured** would have without the contract or agreement.

**C. Consequential Loss.** This policy does not cover any **Loss** resulting from or attributable to any allegations made by or solely for the benefit of a claimant's domestic partner, spouse, child, parent, brother or sister.

**D. Wage and Hour Law.** This policy does not cover any **Loss** arising out of a claim based upon, arising out of, directly or indirectly in connection with, related to or in any way alleging violation of any state or local wage and hour law, however, in the event such **Claim** also alleges an **Insured Event** otherwise covered by this policy, notwithstanding the provisions of section **I.C. Defense**, and subject to all other terms, conditions and exclusion contained in this policy, we agree to pay loss solely for that portion of the claim involving such **Insured Event**.

**E. Stock Options.** This policy does not cover any **Loss** resulting from or attributable to stock options, including, without limitation, 1) the failure to grant stock options and/or 2) amounts attributable to unvested stock options which options did not vest because of the actual or alleged wrongful termination of an **Employee**.

**F. Fraud and Collusion.** This policy does not cover any **Loss** based upon, arising out of, directly or indirectly in connection with, related to, or in any way involving any **Claim** alleging fraud, collusion, dishonest, criminal or malicious acts by or at the direction of an **Insured**. Without limiting the foregoing, we will pay **Defense Costs** incurred relating to allegations of fraud, collusion, dishonest, criminal or malicious acts to defend an innocent Insured named in such **Claim** so long as such **Claim** also contains allegations against that innocent **Insured** involving an



**Insured Event** otherwise covered by this policy.

- G. Prior Knowledge.** This policy does not cover any **Loss** arising out of **Insured Events** of which any **Insured** who is a principal, partner, officer, director, trustee, in-house counsel, Employee(s) within the HR or Risk Management department or Employee(s) with personnel and risk management responsibilities was aware by actual knowledge of the facts or circumstances of such **Insured Event** prior to the Prior Knowledge Date, as shown in the Declarations.
- H. Prior Notice.** This policy does not cover any **Loss** arising out of **Insured Events** that have been the subject of any notice given under any other policy prior to the inception date of this policy.
- I. Punitive Damages.** This endorsement does not cover any **Loss** arising out of any fines, penalties, punitive damages, exemplary damages or any additional damages resulting from the multiplication of compensatory damages (referred to herein collectively as "Punitive Damages"), except that if a suit is brought against the Named Insured on a **Claim** falling within the coverage hereof, seeking both compensatory and Punitive Damages, then we will afford a defense to such action, without liability, however, for such Punitive Damages; provided further, that our obligation to provide such defense for Punitive Damages shall terminate when the **Claim** for compensatory damages in such action is terminated or paid through judgment or settlement and, in no event, shall we afford a defense for Punitive Damages after the Limit of Liability for compensatory damages has been paid.
- J. Retroactive Date.** This policy does not cover any **Loss** arising out of any **Insured Events** that first occurred on or before the Retroactive Date as set forth in the Declarations. For the purposes of this exclusion, related **Insured Events** are excluded if the first related **Insured Event** took place or is alleged to have taken place prior to the Retroactive Date.

# GEORGIA AMENDATORY ENDORSEMENT

## THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

### EMPLOYMENT PRACTICES LIABILITY INSURANCE POLICY – STANDARD

1. Clause **II. DEFINITIONS J. Loss** is amended to delete reference to item **13. punitive or exemplary damages**.

2. Clause **VIII. CONDITIONS D. Other Insurance** is deleted and replaced with the following:

This policy shall be deemed primary insurance in connection with covered **Claims** by **Employees** against an **Insured** because of an **Insured Event**. In connection with any other covered **Claim** and to the extent that the **Insured** has other valid and collectible insurance for a covered **Claim** under this policy, the Underwriters shall not be liable for any greater proportion of such covered **Claim** than the applicable **Limit of Liability** stated in the Declarations bears to the total applicable **Limit of Liability** for all valid and collectible insurance against such covered **Claim**. The preceding sentence does not apply to other insurance that is written only as specific excess insurance over the **Limits of Liability** of this policy.

Nothing herein is intended to make this policy subject to the terms, conditions and limitations of any other insurance, and nothing herein is intended to limit our or any **Insured's** right to contribution or indemnity from any other party, insurer or indemnitor.

3. The second sentence of Clause **VIII. CONDITIONS F. Cancellation** is deleted and replaced with the following:

If this policy has been in effect for sixty (60) days or less and is not a renewal policy, or if the **Named Insured** has failed to discharge when due any of its obligations with respect to payment of premiums, we may cancel this policy for any reason by mailing or delivering written notice of cancellation to the **Named Insured** at the last known address in our records, stating when, not less than ten (10) days thereafter, such cancellation shall be effective.

If this policy has been in effect for more than sixty (60) days or is a renewal policy, and is being canceled for a reason other than nonpayment of premium, we may cancel this policy for any reason by mailing or delivering a written notice of cancellation to the **Named Insured** at the last known address in our records, stating when, not less than forty-five (45) days thereafter, such cancellation shall be effective.

4. Paragraph **1.** of Clause **VIII. CONDITIONS G. Representations** is deleted and replaced with the following:

1. all statements in the **Application** and any attachments as well as all other information provided to us are true and complete;

5. Paragraph **4.** of Clause **VIII. CONDITIONS G. Representations** is deleted and replaced with the following:

4. in the event that any statement or representation in the **Application** is untrue, coverage will be denied under this policy and this policy will be canceled if:

- (a) the statement or representation is fraudulent;
- (b) the statement or representation is material either to the acceptance of the risk, or to the hazard assumed by us; or

(c) we in good faith would either not have issued the policy, or would not have issued a policy in as large an amount, or would not have provided coverage with respect to the hazard resulting in the **loss**, if the true facts had been made known to us as required either by the **Application** or otherwise.

6. The first sentence of Clause **VIII. CONDITIONS H. When We Do Not Renew** is amended to delete the words "or deliver" from this sentence.

7. The second sentence of Clause **VIII. CONDITIONS H. When We Do Not Renew** is deleted and replaced with the following:

A receipt provided by the United States Postal Service is evidence of mailing.

8. Clause **VIII. CONDITIONS H. When We Do Not Renew** is amended to add the following:

If we decide to condition renewal upon a change in any policy provision which limits or restricts coverage, or to increase the premium by more than fifteen percent (15%) of the expiring policy's premium, other than an increase in premium due to a change in risk or exposure, we will mail notice by first-class mail to the **Named Insured** at the last known address in our records, forty-five (45) days before the end of the policy period. In instances where an increase in premium exceeds fifteen percent (15%), the notice shall include the dollar amount of the increase. A receipt provided by the United States Postal Service is evidence of mailing.

9. Clause **IX. EXCLUSIONS: WHAT IS NOT COVERED I. Punitive Damages** is deleted in its entirety.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **HIRED AUTO AND NON-OWNED AUTO LIABILITY**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

### **A. HIRED AUTO LIABILITY**

The insurance provided under **SECTION I – COVERAGE A** applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

### **B. NON-OWNED AUTO LIABILITY**

The insurance provided under **SECTION I – COVERAGE A** applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person other than you.

### **C. With respect to the insurance provided by this endorsement:**

1. Exclusions **c., e., g., h., and j.** through **o.** under **SECTION I – COVERAGE A** are deleted.

2. The following exclusions are added:

a. (1) "Bodily injury" to:

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

(i) Employment by the insured; or

(ii) Performing duties related to the conduct of the insured's business; or

(b) The spouse, child, parent, brother or sister of that "employee" as a consequence of paragraph (a) above.

(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 injury.

(3) This exclusion does not apply to:

(a) Liability assumed by the insured under an "insured contract"; or

(b) "Bodily injury" arising out of and in the course of domestic employment by the insured unless benefits for such injury are in whole or in part either payable or required to be provided under any workers compensation law.

b. "Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

2. **SECTION II – WHO IS AN INSURED** is replaced by the following:

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

(1) You;

- (2) Any other person using a "hired auto" with your permission;
- (3) 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;
- (4) Any other person or organization, but only with respect to their liability because of acts or omissions of an insured under (1), (2), or (3) above.

b. None of the following is an insured:

- (1) Any person engaged in the business of his or her employer with respect to "bodily injury" to any co-"employee" of such person injured in the course of employment;
- (2) Any partner or "executive officer" with respect to any "auto" owned by such partner or officer or a member of his or her household;
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business," other than an "auto business" you operate;
- (4) The owner or lessee (of whom you are a sub-lessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or

"employee" of any such owner or lessee;

- (5) Any person or organization with respect to the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

**D. LIMITS OF INSURANCE**

The General Aggregate limit stated in the Commercial General Liability Declarations does not apply to the insurance provided by this endorsement. Otherwise, there is no other change in the application of SECTION III – LIMITS OF INSURANCE.

**E. ADDITIONAL DEFINITIONS**

The following additional definitions apply:

- 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 or borrow. This does not include any "auto" you lease, hire or borrow from any of your "employees" or members of their households, or from any partner or "executive officer" of yours.
- 3. "Non-owned auto" means any "auto" you do not own, lease, hire or borrow which is used in connection with your business. However, if you are a partnership a "non-owned auto" does not include any auto owned by any partner.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GRAND RAPIDS			NEW BUSINESS EFF 09/09/2016			

**PRECISION PORTFOLIO POLICY  
FORMS AND ENDORSEMENTS APPLICABLE  
PRECISION AMERICA  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI**

	FORM NUMBER	PROP	LIAB	AUTO	UMB	FORM OR ENDORSEMENT NAME
*	9S5008	0300	X	X		SUPPLEMENTAL DECLARATIONS
*	9S1016	0300	X			PROPERTY DECLARATION
*	9S1017	0601	X			BUILDING AND PERSONAL PROPERTY SCHEDULE
*	9S1001	0499	X			BUILDING AND PERSONAL PROPERTY COVERAGE FORM
*	9S1220	0701	X			EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES
*	9S2102	0601		X		ELECTRONIC DATA LIABILITY AMENDMENT ENDORSEMENT
*	9S1052	0499	X			PROPERTY CHANGES
*	9S1002	1092	X			CRIME COVERAGE FORM
*	9S1103	0302	X			GLASS AMENDATORY ENDORSEMENT
*	9S1054	0499	X			TENANTS LEASE PROTECTION
*	CP0131	1103	X			GEORGIA CHANGES
*	9S2008	0300		X		COMMERCIAL GENERAL LIABILITY DECLARATIONS
*	9S2009	0300		X		COMMERCIAL GENERAL LIABILITY SCHEDULE
*	9S2001	0499		X		COMMERCIAL GENERAL LIABILITY COVERAGE FORM
*	CG0062	1202		X		WAR LIABILITY EXCLUSION

\* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GRAND RAPIDS			NEW BUSINESS EFF 09/09/2016			

**PRECISION PORTFOLIO POLICY  
FORMS AND ENDORSEMENTS APPLICABLE  
PRECISION AMERICA  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI  
(CONTINUED)**

	FORM NUMBER	PROP	LIAB	AUTO	UMB	FORM OR ENDORSEMENT NAME
*	9S2092	0499		X		PREMIUM AUDIT WAIVER
*	9S2345	0104		X		PERSONAL AND ADVERTISING INJURY REDEFINED
*	9S2002	0196		X		HIRED AUTO AND NON-OWNED AUTO LIABILITY
*	9S1210	0902	X			MEDICAL PROFESSIONAL EQUIPMENT
*	9S2324	0902		X		TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US
*	15153	0803	X	X		ABSOLUTE ASBESTOS EXCLUSION
*	9S2356	1108		X		EMPLOYMENT PRACTICES INSURANCE COVERAGE DECLARATIONS - STANDARD
*	CG0057	0999		X		AMENDMENT OF INSURING AGREEMENT - KNOWN INJURY OR DAMAGE
*	CG0067	0305		X		EXCLUSION-VIOLATION OF STATUTES THAT GOVERN EMAILS ,FAX,PHONE CALLS OR OTHER METHODS OF SENDING MATERIAL OR INFORMATION
*	9S1117	0309	X			LIMITED COVERAGE FOR FUNGI, WET ROT, DRY ROT AND BACTERIA - GEORGIA
*	9S2540	0101		X		FUNGUS EXCLUSION
*	CG2244	0798		X		EXCLUSION - SERVICES FURNISHED BY HEALTH CARE PROVIDERS
*	J6577-ED3	0912		X		EMPLOYMENT PRACTICES LIABILITY INSURANCE-STANDARD
*	CG2147	0798		X		EMPLOYMENT-RELATED PRACTICES EXCLUSION
*	S5531-ED1	0208		X		Georgia Amendatory Endorsement

\* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS NEW BUSINESS EFF 09/09/2016

**FORMS AND ENDORSEMENTS APPLICABLE LIST**  
**FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI**

FORM NUMBER	FORM OR ENDORSEMENT NAME
COMMON	
* U-GU-630-D 01-15	DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT
* U-GU-767-B CW 01-15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
* 9S5087 08-08	NOTICE TO OUR CUSTOMERS MySafetyPoint - Loss Control Services
* U-GU-753-A CW 04-07	SMALL BUSINESS POLICY JACKET
* 9S5014 03-00	POLICY INDEX - PROPERTY AND LIABILITY COVERAGE PARTS
* U-CL-D-100-A CW 06-04	COMMON POLICY DECLARATIONS
* U-CL-D-101-A CW 06-04	SUPPLEMENTAL DECLARATIONS
* IL0017 11-98	COMMON POLICY CONDITIONS
* IL 02 62 09-08	GEORGIA CHANGES - CANCELLATION AND NONRENEWAL
* IL 00 21 09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)

\*THESE FORMS ARE ATTACHED. REMAINING FORMS WERE ATTACHED TO A PREVIOUS COPY OF THE POLICY.



BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS			NEW BUSINESS EFF 09/09/2016	



**LIST OF ADDITIONAL FORMS ENCLOSED - NON-POLICY FORMS  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI**

FORM NUMBER	FORM DESCRIPTION
9S5381 06-13	PRECISION POLICY MAILING SHEET-AGENT

SCGB855P.61 PRECISION POLICY STATISTICAL REPORT PAGE 1  
 COMMERCIAL PROPERTY PROCESS DATE 09/08/2016

TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	CO	BO	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER
11	PAS 12557890	09/16	12	09/09/16	09/17	27	GR	44194N	0	9	9

ASSUREDS NAME	R/A	SIC	GAC	IC	A/C TRANS	COMML	BACKOUT/REISSUE
ARIA DENTAL GROUP, L	09/07	8011	OAI	NNNN	EFF DATE	IND	INDICATOR
					09/16	C	

POLICY CANCEL DATE	AUDIT DATE	COVERAGE EFF DATE	EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY
	09/09/2016	09/09/2016	09/09/2017		NB

P A R L	LINE	ST	COMM	CASH	ZIP	FIRE	S T A T I S T I C A L B L O C K									
D G P M	RATE	PREMIUM			CODE	DISTR	1.....2.....3.....3.....4.....4.....5.....5.....6.....6	5	0	5	0	5	0	5	0	5

0 1 9 K	0551	10	000	1,218.00	30046		7698791580111	00030001060242040100002000									3916
0 1 9 K	0551	10	000	1,959.00	30655		7488791580111	00070001060243030100002000									3916
0 1 9 0	0527	10	000	97.00	30046		7698791580111	0003000106P442040100002000									3916
0 1 9 0	0527	10	000	108.00	30655		7488791580111	0007000106P443030100002000									3916
0 1 9 0	0527	10	000	173.00	30655	CR	7488791580111										916
0 1 9 0	0527	10	000	66.00	30655	CR	7488791580111										916
0 1 9 0	0551	10	000	4.00	30655		7488791580111	00100001000243030100002000									3916
0 1 9 0	0551	10	000	68.00	30655		7488791580111	00100001000243030100002000									3916
0 2	6211	10	000	98.00	30655		7481036065258	0000008106120									21 916

TOTAL 3,313.00

PAS 12557890

(CONTINUED)

SCGB855P.61		PRECISION POLICY STATISTICAL REPORT										PAGE 1
		COMMERCIAL GENERAL LIABILITY										PROCESS DATE 09/08/2016
TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	CO	BO	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER	
11	PAS 12557890	09/16	12	09/09/16	09/17	27	GR	44194N	0	9	9	
	ASSUREDS NAME	R/A	SIC	GAC	IC	A/C TRANS	COML	BACKOUT/REISSUE				
	ARIA DENTAL GROUP, L	DATE 09/07	CODE 8011	CODE OAI	CODE NNNNN	EFF DATE 09/16	IND C	INDICATOR				
POLICY CANCEL DATE	AUDIT DATE	COVERAGE EFF DATE	EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY							
		09/09/2016	09/09/2017		NB							
P A R L	L I N E	S T	C O M M	C A S H	Z I P	F I R E	S T A T I S T I C A L B L O C K					
D G P M	R A T E	P R E M I U M	R A T E	P R E M I U M	C O D E	D I S T R	1.....2.....3.....3.....3.....4.....4.....4.....5.....5.....6.....6					
0 2 0	0 528	10	000	74.00	30655		7488791580111	13			916	
0 2 0	0 528	10	000	117.00	30655		7488791580111	14			916	
0 2 0	0 528	10	000	4.00	CR		7488791580111	B4			916	
TOTAL											187.00	

PAS 12557890

(CONTINUED)

SCGB855P.61 PRECISION POLICY STATISTICAL REPORT PAGE 2  
 POLICY PREMIUM TOTALS PROCESS DATE 09/08/2016

TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	CO	BO	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER
11	PAS 12557890	09/16	12	09/09/16	09/17	27	GR	44194N	0	9	9

ASSUREDS NAME	R/A	SIC	GAC	IC	A/C TRANS	COMML	BACKOUT/REISSUE
ARIA DENTAL GROUP, L	09/07	8011	OAI	NNNN	EFF DATE	IND	INDICATOR
					09/16	C	

POLICY CANC DATE	AUDIT DATE	COVERAGE EFF DATE	EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY
	09/09/2016	09/09/2016			NB

PROPERTY TOTAL PREMIUM	3,313.00
LIABILITY TOTAL PREMIUM	187.00
AUTOMOBILE TOTAL PREMIUM	.00
UMBRELLA TOTAL PREMIUM	.00
TAX TOTAL PREMIUM	.00
TOTAL FULL TERM PREMIUM	3,500.00



GRAND RAPIDS  
PO Box 2248  
Grand Rapids, MI 49501-2248

0057A

ARIA DENTAL GROUP, LLC  
2120 W SPRING ST  
SUITE 1100  
MONROE GA 30655

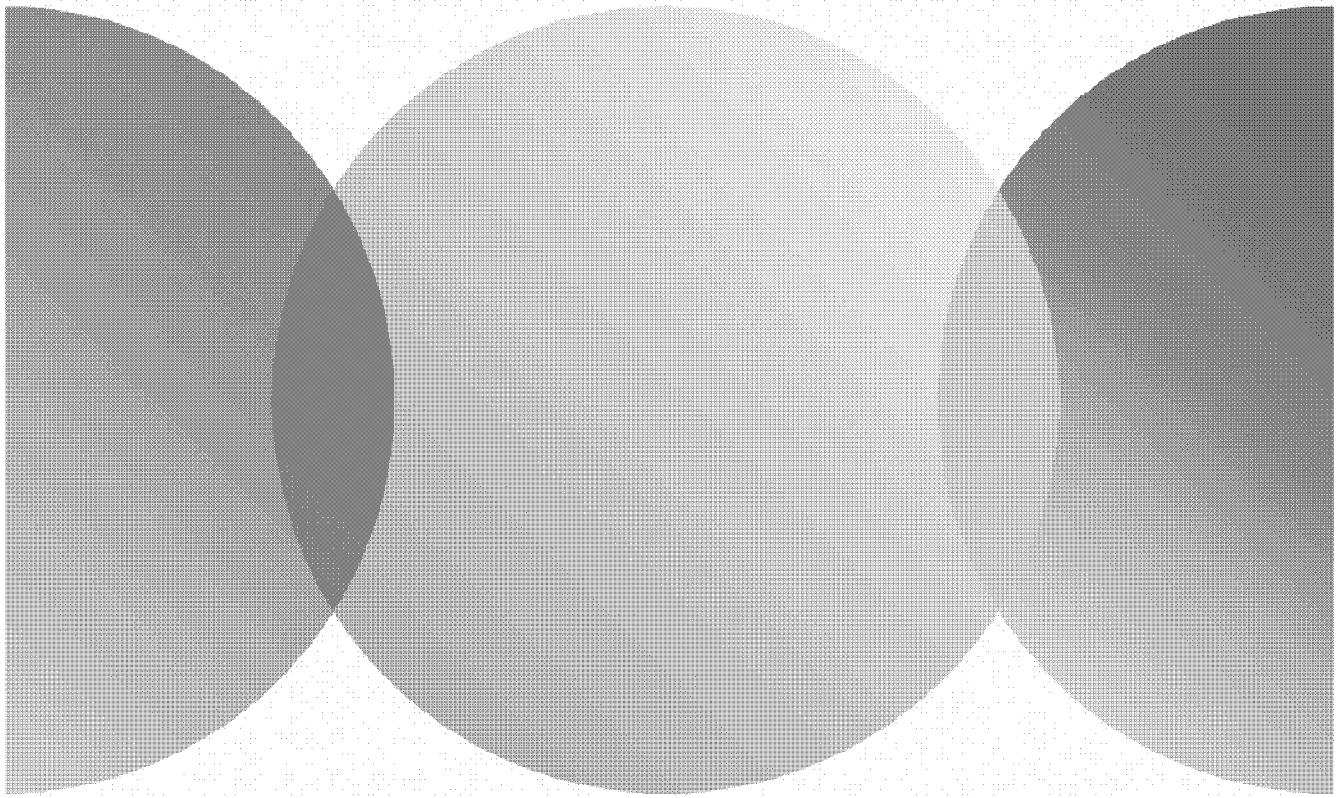
**TO OUR CUSTOMER:**

**Attached is your Precision Portfolio Policy.  
Your agent's and, if applicable, mortgagee's copies  
have been mailed directly to your agent.  
Thank you for giving us the opportunity  
to insure your business.**



# Small business policy

## Foremost Insurance Company



**THIS DISCLOSURE 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.**

## **DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT**

### **SCHEDULE**

<b>SCHEDULE – PART I</b>	
Terrorism Premium (Certified Acts) \$	<b>47.00</b>
<b>SCHEDULE – PART II</b>	
Federal share of terrorism losses	<u>81</u> % Year: 20 <u>19</u>
(Refer to Paragraph <b>B.</b> in this endorsement.)	
Federal share of terrorism losses	<u>80</u> % Year: 20 <u>20</u>
(Refer to Paragraph <b>B.</b> in this endorsement.)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

#### **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 Treasury.

# CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

Insureds Name ARIA DENTAL GROUP, LLC	Policy Number PAS 12557890	Effective Date 09/09/2019	Endorsement Number
---	-------------------------------	------------------------------	--------------------

**THIS ENDORSEMENT CHANGES YOUR POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies your insurance:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

## 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 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, injury or damage 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.





## Farmers Insurance Group of Companies® Privacy Notice

In the course of our business relationship with you, we collect information about you that is necessary to provide you with our products and services. We treat this information as confidential and recognize the importance of protecting it. We value your confidence in us.

You trust us with an important part of your financial life. We are proud of our privacy policies and procedures and encourage you to review them carefully.

This notice from the member companies of the Farmers Insurance Group of Companies listed on the back of this notice\* describes our privacy practices regarding information about our customers and former customers that obtain financial products or services from us for personal, family or household purposes.\*\* When state law is more protective of individuals than federal privacy law, we will protect information in accordance with state law consistent with the requirements of federal preemption.

### Information we collect

We collect and maintain information about you to provide you with the coverage, product or service you request and to service your account.

We collect certain information ("nonpublic personal information") about you and the members of your household ("you") from the following sources:

- Information we receive on applications or other forms, such as social security number, assets, income and property information;
- Information about your transactions with us, our affiliates or others, such as your policy coverage, premiums and payment history;
- Information we receive from a consumer reporting agency or insurance support organization, such as motor vehicle records, credit report information and claims history; and
- If you obtain a life, long-term care or disability product, information we receive from you, medical professionals who have provided care to you and insurance support organizations regarding your health.

### How we protect your information

At Farmers, our customers are our most valued assets. Protecting your privacy is important to us. We restrict access to personal information about you to those individuals, such as our employees and agents, who provide you with our products and services. We require those individuals to whom we permit access to your customer information to protect it and keep it confidential. We maintain physical, electronic, and procedural safeguards that comply with applicable regulatory standards to guard your nonpublic personal information.

We do not disclose any nonpublic personal information about you, as our customer or former customer, except as described in this notice.

### Information we disclose

We may disclose the nonpublic personal information we collect about you, as described above, to companies that perform marketing services on our behalf or to other financial institutions with which we have joint marketing agreements and to other third parties, all as permitted by law.

Many employers, benefit plans or plan sponsors restrict the information that can be shared about their employees or members by companies that provide them with products or services. If you have a relationship with Farmers or one of its affiliates as a result of products or services provided through an employer, benefit plan or plan sponsor, we will abide by the privacy restrictions imposed by that organization.

We are permitted to disclose personal health information (1) to process your transaction with us, for instance, to determine eligibility for coverage, to process claims or to prevent fraud; (2) with your written authorization, and (3) otherwise as permitted by law.

### **Sharing information with affiliates**

The Farmers family encompasses various affiliates that offer a variety of financial products and services in addition to insurance. Sharing information enables our affiliates to offer you a more complete range of products and services.

We may disclose nonpublic personal information, as described under Information we collect, to our affiliates, which include:

- Financial service providers such as insurance companies and reciprocals, investment companies, underwriters and brokers/dealers; and
- Non-financial service providers, such as management companies, attorneys-in-fact and billing companies.

We are permitted by law to share with our affiliates information about our transactions and experiences with you.

In addition, we may share with our affiliates consumer report information, such as information from credit reports and certain application information, that we have received from you and from third parties, such as consumer reporting agencies and insurance support organizations.

### **Your choice**

If it is your decision not to opt-out and to allow sharing of your information with our affiliates, you do not need to respond to us in any way.

If you prefer that we not share consumer report information with our affiliates, except as otherwise permitted by law, you may by calling toll free, 1-877-411-4249, (please have all of your policy numbers available). We will implement your request within a reasonable time after hearing from you.

### **Modifications to our privacy policy**

We reserve the right to change our privacy practices in the future, which may include sharing nonpublic personal information about you with nonaffiliated third parties. Before we do that, we will provide you with a revised privacy notice and give you the opportunity to opt-out of that type of information sharing.

### **Website**

Our website privacy notices, such as the one located at <http://www.farmers.com/disclaimer/privacy-policy> and <http://cp.foremost.com/general/privacy-policy.htm> contain additional information particular to website use. Please pay careful attention to those notices if you transmit personal information to farmers over the internet.

## Recipients of this notice

We are providing this notice to the named policyholder at the mailing address to which we send your policy information. If there is more than one policyholder on a policy, only the named policyholder on that policy will receive this notice, though any policyholder may request a copy of this notice. You may receive more than one copy of this notice if you have more than one policy with Farmers. You also may receive notices from affiliates, other than those listed below. Please read those notices carefully to determine your rights with respect to those affiliates' privacy practices.

Signed:

Farmers Insurance Exchange, Foremost Insurance Company Grand Rapids, Michigan\*\*, Foremost Signature Insurance Company\*\*, Foremost Property and Casualty Insurance Company \*\*, Fire Insurance Exchange, Truck Insurance Exchange, Mid-Century Insurance Company, Farmers Insurance Company, Inc. (A Kansas Corp.); Farmers Insurance Company of Arizona, Farmers Insurance Company of Idaho, Farmers Insurance Company of Oregon, Farmers Insurance Company of Washington, Farmers Insurance of Columbus, Inc.; Farmers New Century Insurance Company, Farmers Group, Inc.; Farmers Reinsurance Company, Farmers Services Insurance Agency, Farmers Services Corporation, Farmers Texas County Mutual Insurance Company, Farmers Underwriters Association, Farmers Value Added, Inc.; Farmers Financial Solutions, LLC member FINRA & SIPC\*\*\*; FFS Holding, LLC; Farmers Services, LLC; ZFUS Services, LLC; FIG Holding Company, FIG Leasing Co., Inc.; Fire Underwriters Association, Illinois Farmers Insurance Company, Mid-Century Insurance Company of Texas, Texas Farmers Insurance Company, Farmers New World Life Insurance Company, Truck Underwriters Association, Civic Property and Casualty Company, Exact Property and Casualty Company and Neighborhood Spirit Property and Casualty Company.

\*The above is a list of the affiliates on whose behalf this privacy notice is being provided. It is not a comprehensive list of all affiliates of the Farmers Insurance Group of Companies.

\*\*This notice does not apply to personal insurance policies issued by Foremost Insurance Company Grand Rapids, Michigan, Foremost Signature Insurance Company and Foremost Property and Casualty Insurance Company, but only to commercial insurance policies issued by these companies for business purposes. If you have obtained an insurance policy from these companies for personal, family or household purposes, you should refer to the privacy notice that you received with that policy.

\*\*\*You may obtain more information about the Securities Investor Protection Corporation (SIPC) including the SIPC brochure by contacting SIPC at (202) 371-8300 or via the internet at [www.sipc.org](http://www.sipc.org). For information about FINRA and Broker Check you may call the FINRA Broker Check hotline at (800) 289-9999 or access the FINRA website

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019



**FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI  
COMMON POLICY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

This policy consists of the declarations as well as the coverage forms and endorsements listed on the Forms and Endorsements Applicable List.

NAMED INSURED AND MAILING ADDRESS
ARIA DENTAL GROUP, LLC 2120 W SPRING ST SUITE 1100 MONROE GA 30655

AGENCY NAME AND SERVICING ADDRESS
MEHERALLY AGENCY LLC 2227 DULUTH HWY STE 102 DULUTH GA 30097-4080 (678) 222-1214

BRANCH NAME AND SERVICING ADDRESS
GRAND RAPIDS PO Box 2248 Grand Rapids, MI 49501-2248

POLICY PERIOD						
<table> <tr> <td><b>FROM</b></td> <td><b>TO</b></td> </tr> <tr> <td>09/09/2019</td> <td>09/09/2020</td> </tr> <tr> <td><b>12:01 A.M.</b></td> <td><b>12:01 A.M.</b></td> </tr> </table>	<b>FROM</b>	<b>TO</b>	09/09/2019	09/09/2020	<b>12:01 A.M.</b>	<b>12:01 A.M.</b>
<b>FROM</b>	<b>TO</b>					
09/09/2019	09/09/2020					
<b>12:01 A.M.</b>	<b>12:01 A.M.</b>					
Standard Time At Your Mailing Address Shown Above						

<b>BUSINESS ENTITY:</b> LTD LIABILITY
<b>BUSINESS DESCRIPTION:</b> MEDICAL OFFICES

POLICY PREMIUMS	
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.	
This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.	
COMMERCIAL PROPERTY AND GENERAL LIABILITY	PREMIUM \$ 2,332.00
PERSONAL LINES DISCOUNT	\$ 109.00-
PREMIUM SIZE CREDIT	\$ 23.00-
TERRORISM PREMIUM	\$ 47.00
<b>TOTAL ANNUAL PREMIUM</b>	<b>\$ 2,247.00</b>

Countersigned by _____	Authorized Representative	_____ Date
------------------------	---------------------------	------------

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Copyright, ISO Properties, Inc., 2001

08/06/2019

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS			RENEWAL EFF 09/09/2019	



**SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
COMMON	COMMON POLICY DECLARATIONS
U-CL-D-100-A CW 0604	RETAINED MINIMUM PREMIUM Commercial Property & Commercial General Liability - \$100

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS						RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
COMMERCIAL PROPERTY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

For descriptions of premiums, see the attached buildings and personal property schedule.

Insurance at the described premises applies only for coverage for which a limit of insurance is shown. These may be found in this declarations and the attached schedules.

PRIMARY PROPERTY COVERAGES	DEDUCTIBLE	LIMITS
SCHEDULED PERSONAL PROPERTY	\$2,500	SEE SCHEDULE
PEAK SEASON PERSONAL PROPERTY INCREASE	NONE	50% OF LIMIT
ADDITIONAL COVERAGES	DEDUCTIBLE	LIMITS
ACCOUNTS RECEIVABLE*	NONE	\$25,000
ANTENNAE AND SATELLITES*	\$2,500	\$1,000
BI & EE - DEPENDENT PROPERTIES - 30 DAYS	NONE	ACTUAL LOSS SUSTAINED
BI & EE - NEWLY ACQUIRED PROPERTIES - 180 DAYS	NONE	\$250,000
LOSS OF BUSINESS INCOME (BI) AND EXTRA EXPENSE (EE) - 12 MOS	NONE	ACTUAL LOSS SUSTAINED
DEBRIS REMOVAL - EACH LOCATION	NONE	\$10,000
DEFERRED PAYMENTS	NONE	\$5,000
EDP EQUIPMENT AND MEDIA - BLANKET*	\$2,500	\$10,000
EMPLOYEE DISHONESTY*	NONE	\$10,000
FINE ARTS - BLANKET*	\$2,500	\$10,000
FIRE DEPARTMENT SERVICE CHARGE	NONE	\$10,000
FIRE EXTINGUISHING EQUIPMENT RECHARGE	NONE	\$1,000
FORGERY OR ALTERATION*	NONE	\$10,000
FREE-STANDING FENCES & WALLS*	\$2,500	\$2,500

\* The limits for these coverages may be increased. Contact your agent.

**COMMERCIAL PROPERTY**

9S1016 Ed. 3-00

INSURED'S COPY

08/06/2019

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
COMMERCIAL PROPERTY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

ADDITIONAL COVERAGES - Continued	DEDUCTIBLE	LIMITS
INSTALLATION*	\$1,000	\$2,500
INVENTORY AND APPRAISAL	NONE	\$5,000
LEASEHOLD INTEREST*	NONE	\$10,000
LOCK AND KEY REPLACEMENT	NONE	\$1,000
MONEY & SECURITIES - INSIDE THE PREMISES/OUTSIDE THE PREMISES*	NONE	\$10,000/ \$2,500
MONEY ORDERS & COUNTERFEIT CURRENCY - \$1,000 MAX. EACH ITEM	NONE	\$5,000
OFF-PREMISES POWER OR WATER FAILURE*	\$1,000	\$10,000
PATTERNS, DIES & MOLDS*	\$2,500	\$5,000
PERSONAL EFFECTS AND PERSONAL PROPERTY OF EMPLOYEES	\$2,500	\$2,500
PERSONAL PROPERTY AT NEWLY ACQUIRED OR CONST. BLDGS. - 180 DAYS	\$2,500	\$250,000
PERSONAL PROPERTY AT OTHER LOCATIONS (INCLUDING EXHIBITIONS)*	\$2,500	\$25,000
PERSONAL PROPERTY IN TRANSIT*	\$1,000	\$2,500
POLLUTION CLEAN-UP AND REMOVAL - EACH LOCATION	\$2,500	\$10,000
SALESPERSONS SAMPLES - \$2,500 MAX. EACH EMPLOYEE	\$1,000	\$10,000
SIGNS*	\$2,500	\$5,000
SPOILAGE*	\$1,000	\$5,000
TOOLS & EQUIPMENT INCLUDING COMMUNICATION DEVICES - BLANKET*	\$2,500	\$5,000
TREES, SHRUBS, PLANTS AND LAWNS - \$1,000 MAX. EACH ITEM	\$2,500	\$10,000
UNAUTHORIZED BUSINESS CARD USE - \$1,000 MAX. PER OCCURRENCE	NONE	\$5,000
VALUABLE PAPERS & RECORDS*	NONE	\$25,000
* The limits for these coverages may be increased. Contact your agent.		

Mortgagees and Loss Payees are listed on the Commercial Property Supplemental Declarations by building.

**COMMERCIAL PROPERTY**

9S1016 Ed. 3-00

INSURED'S COPY

08/06/2019

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019

**PRECISION PORTFOLIO POLICY  
BUILDINGS AND PERSONAL PROPERTY SCHEDULE  
PRECISION AMERICA**

LOCATION 01 BUILDING # 01 2120 W SPRING ST MONROE GA

**PREMISES PRIMARY**  
**OCCUPANCY:** MEDICAL OFFICES  
**INSURED'S INTEREST:** TENANT  
**CONSTRUCTION:** NON-COMBUSTIBLE **PROTECTION CLASS:** 003

		DEDUCTIBLE	LIMIT
SCHEDULED PERSONAL PROPERTY	REPLACEMENT COST	\$2,500	\$810,400
BACK-UP OF SEWERS & DRAINS		\$1,000	\$25,000
EQUIPMENT BREAKDOWN		\$2,500	INCLUDED

**PROTECTIVE DEVICES CONDITION APPLIES TO:**

**COMMERCIAL PROPERTY**  
 9S1017 Ed. 6-01 08/06/2019



BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH			GRAND RAPIDS			RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
PROPERTY	BUILDING AND PERSONAL PROPERTY COVERAGE FORM
9S1001                      0499	LOSS PAYEE: LOCATION #: 001                      BUILDING #: 001 AFFINITY BANK ISAOA  400 GALLERIA PKWY SE STE 900  ATLANTA                                      GA 30339-6413      LOAN #:

**COMMERCIAL PROPERTY**

9S5008 Ed. 3-00

INSURED'S COPY

08/06/2019

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
COMMERCIAL GENERAL LIABILITY DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

**COVERAGES AND LIMITS OF INSURANCE**

Some of these coverages are sublimits or are subject to aggregate limits. Refer to your policy to determine how they apply.

GENERAL AGGREGATE	\$4,000,000
PRODUCTS AND COMPLETED OPERATIONS AGGREGATE	\$4,000,000
EACH OCCURRENCE	\$2,000,000
TENANTS LEGAL LIABILITY	\$2,000,000
MEDICAL EXPENSES - EACH PERSON	\$ 10,000
PERSONAL INJURY AND ADVERTISING INJURY	\$2,000,000
HIRED AND NON-OWNED AUTOMOBILE LIABILITY	\$1,000,000

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS						RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
COMMERCIAL GENERAL LIABILITY DECLARATIONS  
(CONTINUED)  
PRECISION AMERICA  
OFFICE PROGRAM**

EXCLUSIONS AND LIMITATIONS
<p>ABSOLUTE ASBESTOS EXCLUSION ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFO AND DATA-RELATED EXCLUSION DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES EXCLUSION FUNGUS EXCLUSION</p>

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019

**PRECISION PORTFOLIO POLICY  
COMMERCIAL GENERAL LIABILITY SCHEDULE  
PRECISION AMERICA**

LOC #	CLASS CODE	LOCATION ADDRESS (IF APPLICABLE) CLASSIFICATION NAME	RATING BASIS	ANNUAL EXPOSURE
01	80111	2120 W SPRING ST MONROE GA ZIP CODE: 30655-3900  MEDICAL OFFICES	NOT APPLICABLE	INCLUDED

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA  
OFFICE PROGRAM**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY  CG2244                      0798	EXCLUSION - SERVICES FURNISHED BY HEALTH CARE PROVIDERS DESCRIPTION OF OPERATIONS: MEDICAL OFFICES

**COMMERCIAL GENERAL LIABILITY**

9S5008 Ed. 3-00

INSURED'S COPY

08/06/2019

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS					RENEWAL EFF 09/09/2019	



**PRECISION PORTFOLIO POLICY  
 SUPPLEMENTAL DECLARATIONS  
 PRECISION AMERICA**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY  CG2011                      0196	ADDITIONAL INSURED-MANAGERS OR LESSORS OF PREMISES NAME OF PERSON OR ORGANIZATION (ADDITIONAL INSURED): NAME 1      CROSSING MONROE HOLDINGS LLC NAME 2 ADDRESS 1    2439 KUSER RD ADDRESS 2 CITY          TRENTON                                      STATE NJ ZIP 08690-3303  DESIGNATION OF PREMISES (PART LEASED TO YOU): 2120 W SPRING ST MONROE, GA 30655

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE

BRANCH GR GRAND RAPIDS RENEWAL EFF 09/09/2019



**PRECISION PORTFOLIO POLICY  
SUPPLEMENTAL DECLARATIONS  
PRECISION AMERICA  
(CONTINUED)**

COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER	FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION
LIABILITY  CG2018  1185	ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER <hr/> NAME OF PERSON OR ORGANIZATION: AFFINITY BANK ISAOA  400 GALLERIA PKWY SE STE 900  ATLANTA GA 30339-6413 DESIGNATION OF PREMISES: LOCATION: 2120 W SPRING ST MONROE, GA 30655

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**TWO OR MORE COVERAGE FORMS OR POLICIES  
ISSUED BY US**

This endorsement modifies provisions in the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us apply to the same "occurrence", offense, claim or "suit", the Limits of Insurance under all the Coverage Forms or policies applicable to such "occurrence", offense, claim or "suit" shall not exceed the highest applicable Limits of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or affiliated company specifically to apply as excess insurance over this Coverage Form.



BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GRAND RAPIDS					RENEWAL EFF 09/09/2019	

**PRECISION PORTFOLIO POLICY  
FORMS AND ENDORSEMENTS APPLICABLE  
PRECISION AMERICA  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI**

	FORM NUMBER	PROP	LIAB	AUTO	UMB	FORM OR ENDORSEMENT NAME
*	9S5008	0300	X	X		SUPPLEMENTAL DECLARATIONS
*	9S1016	0300	X			PROPERTY DECLARATION
*	9S1017	0601	X			BUILDING AND PERSONAL PROPERTY SCHEDULE
	9S1001	0499	X			BUILDING AND PERSONAL PROPERTY COVERAGE FORM
	9S1220	0701	X			EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES
	9S2102	0601		X		ELECTRONIC DATA LIABILITY AMENDMENT ENDORSEMENT
	9S1052	0499	X			PROPERTY CHANGES
	9S1002	1092	X			CRIME COVERAGE FORM
	9S1264	0915	X			BUSINESS INCOME AND EXTRA EXPENSE - PARTIAL SLOWDOWN COVERAGE
	9S1263	0415	X			LOSS PAYMENT CONDITION - PROFIT, OVERHEAD, AND INCREASED FEES
	9S1103	0302	X			GLASS AMENDATORY ENDORSEMENT
	9S1054	0499	X			TENANTS LEASE PROTECTION
	CP0131	1103	X			GEORGIA CHANGES
*	9S2008	0300		X		COMMERCIAL GENERAL LIABILITY DECLARATIONS
*	9S2009	0300		X		COMMERCIAL GENERAL LIABILITY SCHEDULE

\* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GRAND RAPIDS			RENEWAL EFF 09/09/2019			

**PRECISION PORTFOLIO POLICY  
FORMS AND ENDORSEMENTS APPLICABLE  
PRECISION AMERICA  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI  
(CONTINUED)**

FORM NUMBER	PROP	LIAB	AUTO	UMB	FORM OR ENDORSEMENT NAME
9S2001	0499		X		COMMERCIAL GENERAL LIABILITY COVERAGE FORM
CG0062	1202		X		WAR LIABILITY EXCLUSION
9S2092	0499		X		PREMIUM AUDIT WAIVER
9S2345	0104		X		PERSONAL AND ADVERTISING INJURY REDEFINED
9S2002	0196		X		HIRED AUTO AND NON-OWNED AUTO LIABILITY
9S2456	0815		X		EXCLUSION - ACCESS OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL INFORMATION AND DATA-RELATED LIABILITY
9S1210	0902	X			MEDICAL PROFESSIONAL EQUIPMENT
* 9S2324	0902		X		TWO OR MORE COVERAGE FORMS OR POLICIES ISSUED BY US
15153	0803	X	X		ABSOLUTE ASBESTOS EXCLUSION
CG0057	0999		X		AMENDMENT OF INSURING AGREEMENT - KNOWN INJURY OR DAMAGE
CG0067	0305		X		EXCLUSION-VIOLATION OF STATUTES THAT GOVERN EMAILS ,FAX,PHONE CALLS OR OTHER METHODS OF SENDING MATERIAL OR INFORMATION
9S1117	0309	X			LIMITED COVERAGE FOR FUNGI, WET ROT, DRY ROT AND BACTERIA - GEORGIA
9S2540	0101		X		FUNGUS EXCLUSION
CG2011	0196		X		ADDITIONAL INSURED-MANAGERS OR LESSORS OF PREMISES
CG2018	1185		X		ADDITIONAL INSURED - MORTGAGEE, ASSIGNEE, OR RECEIVER

\* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 12557890		44194N		F006598657-001-00001	NONE
BRANCH GRAND RAPIDS			RENEWAL EFF 09/09/2019			

**PRECISION PORTFOLIO POLICY  
FORMS AND ENDORSEMENTS APPLICABLE  
PRECISION AMERICA  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI  
(CONTINUED)**

FORM NUMBER	PROP	LIAB	AUTO	UMB	FORM OR ENDORSEMENT NAME
CG2244	0798		X		EXCLUSION - SERVICES FURNISHED BY HEALTH CARE PROVIDERS
CG2147	0798		X		EMPLOYMENT-RELATED PRACTICES EXCLUSION

\* These forms are attached. Remaining forms were attached to a previous copy of the policy.

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS			RENEWAL EFF 09/09/2019	

**FORMS AND ENDORSEMENTS APPLICABLE LIST  
 FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI**

FORM NUMBER	FORM OR ENDORSEMENT NAME
COMMON	
* U-GU-630-D 01-15	DISCLOSURE OF IMPORTANT INFORMATION RELATING TO TERRORISM RISK INSURANCE ACT
* U-GU-767-B CW 01-15	CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
* U-GU-753-A CW 04-07	SMALL BUSINESS POLICY JACKET
9S5014 03-00	POLICY INDEX - PROPERTY AND LIABILITY COVERAGE PARTS
* U-CL-D-100-A CW 06-04	COMMON POLICY DECLARATIONS
* U-CL-D-101-A CW 06-04	SUPPLEMENTAL DECLARATIONS
IL0017 11-98	COMMON POLICY CONDITIONS
IL 02 62 02-15	GEORGIA CHANGES - CANCELLATION AND NONRENEWAL
IL 00 21 09-08	NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM)

\*THESE FORMS ARE ATTACHED. REMAINING FORMS WERE ATTACHED TO A PREVIOUS COPY OF THE POLICY.

BILL	POLICY NUMBER	PRODUCER NUMBER	ACCOUNT NUMBER	AUDIT PERIOD
D	PAS 12557890	44194N	F006598657-001-00001	NONE
BRANCH GR GRAND RAPIDS				RENEWAL EFF 09/09/2019



**LIST OF ADDITIONAL FORMS ENCLOSED - NON-POLICY FORMS  
FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI**

FORM NUMBER	FORM DESCRIPTION
9S5381 06-13	PRECISION POLICY MAILING SHEET-AGENT
25-9200 08-16	FARMERS INSURANCE GROUP OF COMPANIES PRIVACY NOTICE

SCGB855P.61		PRECISION POLICY STATISTICAL REPORT								PAGE 1	
		COMMERCIAL PROPERTY								PROCESS DATE 08/06/2019	
TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	CO	BO	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER
21	PAS 12557890	09/19	12	09/09/19	09/20	27	GR	44194N	0	9	9
ASSURED'S NAME		R/A DATE	SIC CODE	GAC CODE	IC CODE	A/C TRANS EFF DATE	COMML IND	BACKOUT/REISSUE INDICATOR			
ARIA DENTAL GROUP, L		09/08	8011	OAI	NNNN	09/19	C				
POLICY CANC DATE	AUDIT DATE	COVERAGE EFF DATE	COVERAGE EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY						
		09/09/2019	09/09/2020		RN						
P A R L	LINE	ST	COMM RATE	CASH PREMIUM	ZIP CODE	FIRE DISTR	S T A T I S T I C A L B L O C K				
D G P M							1....2....2....3....3....4....4....5....5....6....6				
							5 0 5 0 5 0 5 0 5 0 5				
0 1 9 K	0551	10	000	2,062.00	30655		7488791580111	00081041060243030250002000	3919		
0 1 9 0	0527	10	000	79.00	30655		7488791580111	0008104106P443030250002000	3919		
0 1 9 0	0527	10	000	21.00 CR	30655		7488791580111	B2	919		
0 1 9 0	0527	10	000	109.00 CR	30655		7488791580111	XB	919		
0 1 9 0	0551	10	000	4.00	30655		7488791580111	00081041000243030250002000	3919		
0 1 9 0	0551	10	000	43.00	30655		7488791580111	00081041000243030250002000	3919		
TOTAL				2,058.00							

(CONTINUED)

SCGB855P.61		PRECISION POLICY STATISTICAL REPORT								PAGE 1	
		COMMERCIAL GENERAL LIABILITY								PROCESS DATE 08/06/2019	
TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	CO	BO	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER
21	PAS 12557890	09/19	12	09/09/19	09/20	27	GR	44194N	0	9	9
ASSUREDS NAME		R/A DATE	SIC CODE	GAC CODE	IC CODE	A/C TRANS EFF DATE	COMML IND	BACKOUT/REISSUE INDICATOR			
ARIA DENTAL GROUP, L		09/08	8011	OAI	NNNN	09/19	C				
POLICY CANC DATE	AUDIT DATE	COVERAGE EFF DATE	COVERAGE EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY						
		09/09/2019	09/09/2020		RN						
P A R L	LINE	ST	COMM RATE	CASH PREMIUM	ZIP CODE	FIRE DISTR	S T A T I S T I C A L B L O C K				
D G P M							1....2....2....3....3....4....4....5....5....6....6				
							5 0 5 0 5 0 5 0 5 0 5				
0 2	0	0528	10	000	74.00	30655	7488791580111	13	919		
0 2	0	0528	10	000	117.00	30655	7488791580111	14	919		
0 2	0	0528	10	000	2.00 CR	30655	7488791580111	B4	919		
TOTAL				189.00							

(CONTINUED)

SCGB855P.61		PRECISION POLICY STATISTICAL REPORT								PAGE 2	
		POLICY PREMIUM TOTALS								PROCESS DATE 08/06/2019	
TR	POLICY NUMBER	TRANS EFF	TERM	EFFECT DATE	EXP DATE	CO	BO	PRODUCER	AUDIT/RETRO	STAT PLAN	INSTALLMENT NUMBER
21	PAS 12557890	09/19	12	09/09/19	09/20	27	GR	44194N	0	9	9
ASSUREDS NAME		R/A DATE	SIC CODE	GAC CODE	IC CODE	A/C TRANS EFF DATE	COMML IND	BACKOUT/REISSUE INDICATOR			
ARIA DENTAL GROUP, L		09/08	8011	OAI	NNNN	09/19	C				
POLICY CANC DATE	AUDIT DATE	COVERAGE EFF DATE	COVERAGE EXP DATE	REASON AMENDED	RECEIVABLE CATEGORY						
		09/09/2019	09/09/2020		RN						
PROPERTY TOTAL PREMIUM .....				2,058.00							
LIABILITY TOTAL PREMIUM .....				189.00							
AUTOMOBILE TOTAL PREMIUM .....				.00							
UMBRELLA TOTAL PREMIUM .....				.00							
TAX TOTAL PREMIUM .....				.00							
TOTAL FULL TERM PREMIUM .....				2,247.00							



## **EXHIBIT B**

Farmers' Denial Letter



Toll Free: (800) 435-7764  
Email: myclaim@farmersinsurance.com  
National Document Center  
P.O. Box 268994  
Oklahoma City, OK 73126-8994  
Fax: (877) 217-1389

April 9, 2020

ARIA DENTAL GROUP, LLC  
2120 W SPRING ST STE 1100  
MONROE GA 30655-3900  
Delivered by email to: monroedentistry@gmail.com

RE:	Insured:	Aria Dental Group, LLC
	Claim Unit Number:	3013397431-1-1
	Policy Number:	PAS 0012557890
	Loss Date:	03/18/2020
	Location of Loss:	2120 W Spring St Ste 1100, Monroe, GA
	Subject:	Claim Outcome Letter

Dear Dr. Podebryi:

Thank you for choosing us to provide for your insurance needs. We value you as a customer and appreciate the opportunity to be of service.

As discussed during your conversation with Claims Representative Gregory Watts on April 7, 2020, we have reviewed your claim and determined that there is no coverage for this loss. You reported the government shutdown of essential services which resulted in the closing of your dental practice and the loss of business income. Unfortunately, there is no coverage found in your policy package for business interruption as there is no direct physical loss or damage to property at the described premises from a covered cause of loss. While the government has closed businesses using civil authority for containment of Covid - 19, access to the described premises was not prohibited due to direct physical loss of or damage to property resulting from a covered cause of loss.

Due to the below stated policy provisions we will not be able to extend coverage and we must respectfully deny your claim.

You may wish to review these provisions of your Building And Personal Property Coverage Form, 9S1001 Ed. 4-99 policy. They form the basis for our decision:

#### **COVERAGE**

We will pay for direct physical loss of or damage to Covered Property caused by or resulting from a Covered Cause of Loss.

##### **I. COVERED PROPERTY**

The following items are Covered Property in this policy if shown in the Declarations along with a Limit of Insurance.

\*\*\*

## II. COVERED CAUSES OF LOSS

RISKS OF DIRECT PHYSICAL LOSS OR DAMAGE unless the loss or damage is excluded or limited as described below:

\*\*\*

### A. EXCLUSIONS

\*\*\*

2. We will not pay for loss or damage caused by or resulting from any of the following:
  - a. Delay, loss of use or loss of market.

\*\*\*

c.

\*\*\*

- (2) Rust, corrosion, fungus, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

\*\*\*

But if an excluded cause of loss that is listed in 2.c.(1) through 2.c.(6) results in building glass breakage or a "specified cause of loss," we will pay for the building glass breakage or the loss or damage caused by that "specified cause of loss."

\*\*\*

3. We will not pay for loss or damage caused by or resulting from any of the following. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss:

\*\*\*

- b. Acts or decisions, including the failure to act or decide, of any person, group, or organization representing a governmental or regulatory or controlling body.

\*\*\*

4. **Special Exclusions.** The following exclusions apply only to the Covered Property or Additional Coverage specified:

\*\*\*

- e. **Business Income and Extra Expense** - We will not pay for:

\*\*\*

- (6) Any other consequential loss.

\*\*\*

### III. ADDITIONAL COVERAGES

The following Additional Coverages apply only if they are indicated in the Declarations:

- A. **Business Income and Extra Expense** - We will pay for the actual loss of "business income" you sustain due to the necessary suspension of "operations" during the "period of restoration," but not to exceed 12 consecutive months. The suspension must be caused by direct physical loss of or damage to property at the "described premises," including personal property in the open, or in a vehicle, within 1000 feet, caused by or resulting from a Covered Cause of Loss.

We will also pay necessary "extra expense" you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss of or damage to such property caused by or resulting from a Covered Cause of Loss.

This Additional Coverage is not subject to the Limits of Insurance, except for the Newly Acquired Properties Extension.

\*\*\*

4. **Civil Authority** - We will pay for the actual loss of "business income" you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the "described premises" due to direct physical loss of or damage to property, other than at the "described premises," caused by or resulting from any Covered Cause of Loss.

This coverage will begin after the action by civil authority for a period of up to three consecutive weeks after coverage begins.

\*\*\*

### DEFINITIONS

\*\*\*

- B. "Business Income" means the:

1. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
2. Continuing normal operating expenses incurred, including payroll if there had been no direct physical loss or damage.

\*\*\*

- D. "Described Premises" means the locations described in the Building and Personal Property Schedule. If you are a tenant, "described premises" means the portions of the building which you rent, lease or occupy, including all routes within the building to gain access to the described premises.
- E. "Extra Expense" means necessary costs incurred to:
1. Avoid or minimize the suspension of business and continue "operations":
    - a. At the "described premises"; or
    - b. At replacement premises or temporary locations, including:
      - (1) Relocation expenses; and
      - (2) Costs to equip and operate the replacement or temporary locations.
  2. Minimize the suspension of business if you cannot continue "operations".
  3.
    - a. Repair or replace any property; or
    - b. Research, replace or restore the lost information on damaged Valuable Papers and Records to the extent it reduces the amount of loss that otherwise would be payable under paragraphs 1. and 2. above, or as "business income".

\*\*\*

- J. "Operations" means your business activities occurring at the "described premises".
- K. "Period of Restoration" means the period of time that:
1. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the "described premises"; and
  2. Ends on the earlier of:
    - a. The date when the property at the "described premises" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
    - b. The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

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

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

\*\*\*

- M. "Specified Causes of Loss" means:
1. Fire;
  2. Lightning;

3. Explosion;
4. Windstorm or hail;
5. Aircraft or vehicles;
6. Riot or civil commotion;
7. Vandalism;
8. Leakage from fire extinguishing equipment;
9. Sinkhole collapse, meaning the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:
  - a. The cost of filling sinkholes; or
  - b. Sinking or collapse of land into manmade underground cavities;
10. "Volcanic action";
11. Falling objects, which does not include loss of or damage to:
  - a. Personal property in the open; or
  - b. 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;
12. Weight of snow, ice or sleet; or
13. Water damage, meaning accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.

\*\*\*

We refer you to the following language in your Limited Coverage for Fungi, Wet Rot, Dry Rot and Bacteria, 9S1122 01 10 endorsement:

This endorsement modifies insurance provided under the:

COMMERCIAL PROPERTY COVERAGE PART

\*\*\*

- B. Paragraph 2.c.(2) under Section II. **COVERED CAUSES OF LOSS**, A. **EXCLUSIONS** is replaced by the following:
  - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself.

\*\*\*

Based on the facts of this loss as well as all information known to us at this present time, we regret to inform you that we are unable to pay this claim. Your policy includes a provision that says it is your duty to protect the insured property from further damage.

We wish to inform you there are time limits as found in the Conditions language of your policy. These limits may have been extended by statute in your state. The time period set forth in the Conditions section is the shortest period which may apply.

## GENERAL CONDITIONS

\*\*\*

- E. **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 of the terms of this Coverage Part; and
  2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

Please note, on occasion, policies are updated with newer editions. We encourage you to reference your policy and included endorsements for any updates.

Even though only parts of your policy are mentioned and quoted in this letter, additional portions may apply. If they are found to be relevant and applicable, they will be applied. Because of this, we recommend you review your entire policy.

By writing this letter, we do not waive any of the terms, conditions or provisions of the insurance policy, all of which are expressly retained and reserved. We expressly retain all available defenses now and hereafter.

If you have any questions about your claim, or additional information that you feel we may have overlooked, please contact Claims Representative Gregory Watts at (205) 563-0152.

Thank you.

Foremost Insurance Company Grand Rapids, Michigan



Timothy Galt  
Commercial Property Claims Team Leader  
timothy.galt@farmersinsurance.com  
(410) 218-7913

COVID-19 Notice – In light of the national health emergency, I am currently working from home. I can be reached by telephone and e-mail; my phone number and email address have not changed. E-mail communications are preferred to avoid any potential delays caused by mailing. If you are unable to email and hard copies of communications are required, they may be sent to our National Document Center at P.O. Box 268994, Oklahoma City, OK 73126-8994. We are unable to receive deliveries at any location from FedEx, UPS or any other courier at this time, as our claims office locations have been temporarily closed.

CC: MEHERALLY AGENCY LLC

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

ARIA DENTAL GROUP, LLC, d/b/a MONROE FAMILY AND COSMETIC DENTISTRY, individually and on behalf of all others

(b) County of Residence of First Listed Plaintiff Walton (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Roy E. Barnes, Barnes Law Group, 31 Atlanta Street, Marietta, GA 30060, 770-227-6375

DEFENDANTS

FARMERS INSURANCE EXCHANGE, FOREMOST INSURANCE COMPANY GRAND RAPIDS, MI d/b/a FOREMOST INSURANCE

County of Residence of First Listed Defendant Los Angeles (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

Table with columns for Plaintiff (PTF) and Defendant (DEF) citizenship: Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, Incorporated or Principal Place of Business In This State, Incorporated and Principal Place of Business In Another State, Foreign Nation.

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

Large table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District (specify), 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): 28 U.S.C. 1332(d)

Brief description of cause: Denial of business income loss claims

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ CHECK YES only if demanded in complaint: JURY DEMAND: X Yes O No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE 06/15/2020 SIGNATURE OF ATTORNEY OF RECORD

Handwritten signature: Roy E Barnes

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE



## INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

### Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.  
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.  
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.  
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.  
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.  
 Original Proceedings. (1) Cases which originate in the United States district courts.  
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.  
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.  
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.  
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.  
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.  
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.  
**PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.  
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.  
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

**Date and Attorney Signature.** Date and sign the civil cover sheet.

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

MIDDLE DISTRICT OF GEORGIA

ARIA DENTAL GROUP, LLC, d/b/a MONROE
FAMILY AND COSMETIC DENTISTRY, individually
and on behalf of all others similarly situated,

Plaintiff(s)

v.

Civil Action No.

FARMERS INSURANCE EXCHANGE, FOREMOST
INSURANCE COMPANY GRAND RAPIDS,
MICHIGAN d/b/a FOREMOST INSURANCE
COMPANY, and JOHN DOE CORPORATIONS

Defendant(s)

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) FARMERS INSURANCE EXCHANGE
Corporation Service Company, Registered Agent
40 Technology Parkway South, Suite 300
Norcross, GA 30092

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you
are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ.
P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of
the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney,
whose name and address are:

Roy E. Barnes
John R. Bevis
Mark D. Meliski
Nicholas P. Martin
31 Atlanta Street
Marietta, GA 30060

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint.
You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. \_\_\_\_\_

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 \_\_\_\_\_ .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

**Print**

**Save As...**

**Reset**

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

MIDDLE DISTRICT OF GEORGIA

ARIA DENTAL GROUP, LLC, d/b/a MONROE
FAMILY AND COSMETIC DENTISTRY, individually
and on behalf of all others similarly situated,

Plaintiff(s)

v.

Civil Action No.

FARMERS INSURANCE EXCHANGE, FOREMOST
INSURANCE COMPANY GRAND RAPIDS,
MICHIGAN d/b/a FOREMOST INSURANCE
COMPANY, and JOHN DOE CORPORATIONS

Defendant(s)

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) FOREMOST INSURANCE COMPANY GRAND RAPIDS, MICHIGAN
Corporation Service Company, Registered Agent
40 Technology Parkway South, Suite 300
Norcross, GA 30092

A lawsuit has been filed against you.

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P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of
the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney,
whose name and address are:

Roy E. Barnes
John R. Bevis
Mark D. Meliski
Nicholas P. Martin
31 Atlanta Street
Marietta, GA 30060

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint.
You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. \_\_\_\_\_

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This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

Date: \_\_\_\_\_

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

**Print**

**Save As...**

**Reset**

# ClassAction.org

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