

15-0559-00
SNOTHERLY INSURANCE AGENCY INC
2308 WAKE FOREST RD
RALEIGH NC 27608-1756

Auto-Owners **INSURANCE**

LIFE • HOME • CAR • BUSINESS

PO Box 30660 • Lansing, MI 48909-8160
517.323.1200

07-27-2022

Owners Insurance Company

OLDE RALEIGH VILLAS CONDOMINIUM ASS
ASSOCIATION INC
PO BOX 1149
APEX NC 27502-3149

You can view your policy or change your paperless options at
any time online at www.auto-owners.com.

Your agency's phone number is 919-832-5832.

RE: Policy 214615-35468209-22

Thank you for selecting Auto-Owners Insurance Group to serve your insurance needs! Feel free to contact your independent Auto-Owners agent with questions you may have.

Auto-Owners and its affiliate companies offer a full complement of policies, each of which has its own eligibility requirements, coverages and rates. Please take this opportunity to review your insurance needs with your Auto-Owners agent, and discuss which company and program may be most appropriate for you.

Auto-Owners Insurance Company was formed in 1916. Our A++ (Superior) rating by A.M. Best Company signifies that we have the financial strength to provide the insurance protection you need. The Auto-Owners Insurance Group is comprised of six property and casualty companies and a life insurance company.

Serving Our Policyholders and Agents Since 1916

NOTICE OF PRIVACY PRACTICES

What We Do To Protect Your Privacy

At Auto-Owners Insurance Group*, we value your business and we want to retain your trust. In the course of providing products and services, we may obtain nonpublic personal information about you. We assure you that such information is used only for the purpose of providing our products and services to you.

Protecting Confidentiality

Our agents and Company associates may have access to nonpublic personal information only for the purpose of providing our products or services to you. We maintain physical, electronic and procedural safeguards against unauthorized use of your nonpublic personal information.

Information We Obtain

To assist in underwriting and servicing your policy, we may obtain nonpublic personal information about you. For example, we routinely obtain information through applications, forms related to our products or services, from visiting www.auto-owners.com, and your transactions with us. We may obtain such information from our affiliates, independent insurance agents, governmental agencies, third parties, or consumer reporting agencies.

The type of information that we collect depends on the product or service requested, but may include your name, address, contact information, social security number, credit history, claims history, information to properly investigate and resolve any claims, or billing information. We may obtain your medical history with your permission. The nature and extent of the information we obtain varies based on the nature of the products and services you receive.

The Internet and Your Information

If you would like to learn about how we gather and protect your information over the Internet, please see our online privacy statement at www.auto-owners.com/privacy.

Generally, Auto-Owners may use cookies, analytics, and other technologies to help us provide users with better service and a more customized web experience. Our business partners may use tracking services, analytics, and other technologies to monitor visits to www.auto-owners.com. The website may use web beacons in addition to cookies. You may choose to not accept cookies by changing the settings in your web browser.

Information obtained on our websites may include IP address, browser and platform types, domain names, access times, referral data, and your activity while using our site; who should use our web site; the security of information over the Internet; and links and co-branded sites.

Limited Disclosure

Auto-Owners Insurance Group companies do not disclose any nonpublic personal information about their customers or former customers except as permitted by law. We do not sell your personal information to anyone. We do not offer an opportunity for you to prevent or "opt out of" information sharing since we only share personal information with others as allowed by law.

When sharing information with third parties to help us conduct our business, we require them to protect your personal information. We do not permit them to use or share your personal information for any purpose other than the work they are doing on our behalf or as required by law.

The types of information disclosed may include personal information we collect as necessary to service your policy or account, investigate and pay claims, comply with state and federal regulatory requests or demands, and process other transactions that you request. Third parties that receive disclosures may include your independent agent, regulators, reinsurance companies, fraud prevention agencies, or insurance adjusters.

How Long We Retain Your Information

We generally retain your information as long as reasonably necessary to provide you services or to comply with applicable law and in accordance with our document retention policy. We may retain copies of information about you and any transactions or services you have used for a period of time that is consistent with applicable law, applicable statute of limitations or as we believe is reasonably necessary to comply with applicable law, regulation, legal process or governmental request, to detect or prevent fraud, to collect fees owed, to resolve disputes, to address problems with our services, to assist with investigations, to enforce other applicable agreements or policies or to take any other actions consistent with applicable law.

In some circumstances we may anonymize your personal information (so that it can no longer be associated with you) for research or statistical purposes, in which case we may use this information indefinitely without further notice to you. This allows the specific information collected (name, email, address, phone number, etc.) to become anonymous, but allows Auto-Owners to keep the transaction or engagement data.

Changes to the Privacy Policy

We will provide a notice of our privacy policy as required by law. This policy may change from time to time, but you can always review our current policy by visiting our website at www.auto-owners.com/privacy or by contacting us.

Contact Us

Auto-Owners Insurance Company
Phone: 844-359-4595 (toll free)
Email: privacyrequest@aoins.com

*Auto-Owners Insurance Group includes, Auto-Owners Insurance Company, Auto-Owners Life Insurance Company, Home-Owners Insurance Company, Owners Insurance Company, Property-Owners Insurance Company and Southern-Owners Insurance Company.

NOTIFICATION OF POSSIBLE CHANGES IN COVERAGE FOR TERRORISM

Dear Policyholder:

The Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) will expire on December 31, 2027 unless the Federal government extends the Act. What this means to you is the following:

1. Subject to policy terms and conditions, the enclosed policy will provide insurance coverage for certified acts of terrorism as defined in the Act only until December 31, 2027.
2. A conditional endorsement entitled, Conditional Exclusion Of Terrorism Involving Nuclear, Biological Or Chemical Terrorism (Relating To Disposition Of Federal Terrorism Risk Insurance Act) is enclosed. This conditional endorsement will only apply if the Act is not extended or if the Act is revised to increase statutory deductibles, decrease the federal government's share in potential losses above the statutory deductibles, change the levels, terms or conditions of coverage and we are no longer required to make terrorism coverage available and elect not to do so. It will not apply if the Act is simply extended.
3. The conditional endorsement will provide coverage for an incident of terrorism pursuant to the terms and conditions of the policy only if the incident does not involve nuclear, biological or chemical material.
4. A premium charge for the conditional endorsement will be applied effective January 1, 2028. The premium will be pro rated for the remainder of the policy term and is one-half of the current premium charge appearing in the Declarations for TERRORISM - CERTIFIED ACTS. However, it will only be made if the Terrorism Risk Insurance Act (including ensuing Congressional actions pursuant to the Act) is not extend. Revised Declarations will be mailed to you after January 1, 2028.
5. If the Act is extended without any revision, the enclosed policy will continue to provide coverage for certified acts of terrorism. The conditional endorsement will not be activated and the changes in coverage or premium referenced above will not apply.
6. If the Act is extended with revisions or is replaced, and we are required or elect to continue to offer coverage for certified acts of terrorism, we may amend this policy in accordance with the provisions of the revised Act or its replacement.

This notice is for informational purposes only.

If you have any questions concerning your policy or this notice, please contact your Auto-Owners agency.

59405 (1-07)

North Carolina
**NOTICE TO POLICYHOLDER
PERILS NOT COVERED**

Dear Policyholder:

"WARNING: THIS PROPERTY INSURANCE POLICY DOES NOT PROTECT YOU AGAINST LOSSES FROM FLOODS, EARTHQUAKES, MUDSLIDES, MUDFLOWS AND LANDSLIDES. YOU SHOULD CONTACT YOUR INSURANCE COMPANY OR AGENT TO DISCUSS YOUR OPTIONS FOR OBTAINING COVERAGE FOR THESE LOSSES. THIS IS NOT A COMPLETE LISTING OF ALL OF THE CAUSES OF LOSSES NOT COVERED UNDER YOUR POLICY. YOU SHOULD READ YOUR ENTIRE POLICY TO UNDERSTAND WHAT IS COVERED AND WHAT IS NOT COVERED."

59405 (1-07)

Page 1 of 1

59529 (4-15)

**NOTICE OF CHANGE IN POLICY TERMS
STATE OF DISASTER**

Dear Policyholder:

In the event that a state of disaster is proclaimed for the state of North Carolina or for an area within the state in accordance with state law, or whenever a major disaster is declared for the state of North Carolina or an area within this state by the President of the United States, and the Insurance Commissioner issues an order declaring action for the specific disaster, you have the option to defer premium payments for 30 days. In addition, any time limitation imposed on you or on us by any statute, rule, or other policy provision may also be deferred for 30 days. The deferral period may be extended by the Commissioner of Insurance.

If you have any questions regarding your policy or this notice, please contact your Auto-Owners Insurance agency.

59529 (4-15)

Page 1 of 1

INSURANCE COMPANY
6101 ANACAPRI BLVD., LANSING, MI 48917-3999

TAILORED PROTECTION POLICY DECLARATIONS

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050 919-832-5832

Renewal Effective 09-28-2022

POLICY NUMBER 214615-35468209-22

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS
ASSOCIATION INC

Company Use 35-46-NC-2109

ADDRESS PO BOX 1149
APEX NC 27502-3149

Company Bill	Policy Term	
	12:01 a.m. 09-28-2022	12:01 a.m. 09-28-2023

In consideration of payment of the premium shown below, this policy is renewed. Please attach this Declarations and attachments to your policy. If you have any questions, please consult with your agent.

55039 (11-87)

COMMON POLICY INFORMATION

Business Description: Condo

Coinsurance Contract

Entity: Corporation

Program: Condominium-Residential Association

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PART(S):	
COMMERCIAL PROPERTY COVERAGE	
COMMERCIAL GENERAL LIABILITY COVERAGE	
COMMERCIAL CRIME COVERAGE	
TOTAL	
PAID IN FULL DISCOUNT	
TOTAL POLICY PREMIUM IF PAID IN FULL	
The Paid in Full Discount does not apply to fixed fees, statutory charges or minimum premiums.	

A merit rating plan factor of 0.90 applies.

Countersigned By: _____

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050Company POLICY NUMBER 214615-35468209-22
Bill 35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

54104 (07-87)

COMMERCIAL PROPERTY COVERAGE

55198 (12-10)

STANDARD PROPERTY PLUS COVERAGE PACKAGE DECLARATION

The coverages and limits below apply separately to each location or sublocation that sustains a loss to covered property and is designated in the Commercial Property Coverage Declarations. No deductible applies to the below Property Plus Coverages.

COVERAGE	LIMIT
ACCOUNTS RECEIVABLE	\$100,000
BAILEES	\$5,000
	\$2,500 PER ITEM
BUSINESS INCOME & EXTRA EXPENSE W/RENTAL VALUE, INCLUDING NEWLY ACQUIRED LOC'S 0 HOUR WAITING PERIOD	\$50,000
DEBRIS REMOVAL	\$25,000
ELECTRONIC DATA PROCESSING EQUIPMENT	\$25,000
EMPLOYEE DISHONESTY	\$15,000
FINE ARTS, COLLECTIBLES AND MEMORABILIA	\$10,000
	\$2,500 PER ITEM
FIRE DEPARTMENT SERVICE CHARGE	\$5,000
FORGERY AND ALTERATION	\$10,000
MONEY AND SECURITIES INSIDE PREMISES	\$15,000
MONEY AND SECURITIES OUTSIDE PREMISES	\$15,000
NEWLY ACQUIRED BUSINESS PERSONAL PROPERTY	\$500,000 FOR 90 DAYS
NEWLY ACQUIRED OR CONSTRUCTED PROPERTY	\$1,000,000 FOR 90 DAYS
ORDINANCE OR LAW	SEE COMMERCIAL PROPERTY DECLARATIONS
OUTDOOR PROPERTY	\$15,000
TREES, SHRUBS OR PLANTS	\$1,000 PER ITEM
RADIO OR TELEVISION ANTENNAS	\$10,000
PERSONAL EFFECTS AND PROPERTY OF OTHERS	\$15,000
POLLUTANT CLEAN UP AND REMOVAL	\$25,000
PROPERTY IN TRANSIT	\$25,000
PROPERTY OFF PREMISES	\$25,000
REFRIGERATED PRODUCTS	\$10,000
SALESPERSON'S SAMPLES	\$10,000
UTILITY SERVICES FAILURE	\$50,000
BUSINESS INCOME/EXTRA EXPENSE	

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050

Company POLICY NUMBER 214615-35468209-22
Bill 35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

55198 (12-10)

STANDARD PROPERTY PLUS COVERAGE PACKAGE DECLARATION

COVERAGE	LIMIT
(\$10,000 SUBLIMIT)	
VALUABLE PAPERS AND RECORDS ON PREMISES	\$50,000
VALUABLE PAPERS AND RECORDS OFF PREMISES	\$10,000
WATER BACK-UP FROM SEWERS OR DRAINS	\$15,000

Forms that apply to this coverage part:

64004 (12-10)	54198 (12-10)	54334 (12-10)	64020 (12-10)	54189 (12-10)
54186 (12-10)	54218 (03-13)	54217 (07-17)	54216 (03-13)	54214 (03-13)
54221 (12-10)	54220 (06-00)	54219 (12-10)	54338 (03-13)	54339 (03-13)
64010 (12-10)	64000 (12-10)			

Coverages Provided

Insurance at the described premises applies only for coverages for which a limit of insurance is shown.

LOCATION 0001 - BUILDING 0001

Location: 3700 Baron Cooper Pass, Raleigh, NC 27612-4223

Occupied As: Condo

Secured Interested Parties: None

Rating Information

Territory: 921

Program: Condominium-Residential A

Protection Class: 01

Class Rate - Building: 0.450

County: Wake

Construction: Frame

Class Code: 0332

Class Rate - Pers Prop: 0.349

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT
BUILDING (BLANKET)			\$6,213,910
Causes of Loss			
Basic Group I	100%	\$5,000	
Basic Group II	100%	\$5,000	
Special	100%	\$5,000	
Theft	100%	\$5,000	
OPTIONAL COVERAGE			
Inflation Guard Factor Building 1.231			
Replacement Cost			
Equipment Breakdown		\$5,000	See Form 54843
Property Plus Coverage Package		None	See 55198 (12-10)
Tier: Standard			

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050

Company POLICY NUMBER 214615-35468209-22
Bill 35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT
ORDINANCE OR LAW			
Coverage A-Undamaged Portion		\$5,000	Incl in Bldg Limit
Coverage B-Demolition		\$5,000	\$60,000
Coverage C-Increased Cost		\$5,000	\$60,000
PERSONAL PROPERTY (BLANKET)			\$9,900
Causes of Loss			
Basic Group I	100%	\$5,000	
Basic Group II	100%	\$5,000	
Special	100%	\$5,000	
Theft	100%	\$5,000	
OPTIONAL COVERAGE			
Replacement Cost			
Inflation Guard Factor Personal Property 1.081			
Equipment Breakdown		\$5,000	See Form 54843
Property Plus Coverage Package		None	See 55198 (12-10)
Tier: Standard			
ORDINANCE OR LAW			
Coverage D-Tenant's I&B		\$5,000	\$60,000

Forms that apply to this building:

59350 (01-15)	54833 (07-08)	64027 (04-15)	IL0269 (10-94)	IL0022 (05-87)
IL0003 (07-02)	54232 (06-00)	64224 (01-16)	64326 (07-19)	59325 (12-19)
CP0090 (07-88)	64000 (12-10)	64013 (12-10)	64010 (12-10)	54843 (07-19)
64020 (12-10)	64004 (12-10)	59390 (11-20)		

COMMERCIAL PROPERTY COVERAGE - LOCATION 0001 SUMMARY

TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 54833, 59390

LOCATION 0001

LOCATION 0002 - BUILDING 0001

Location: 3701 Baron Cooper Pass, Raleigh, NC 27612-4226

Occupied As: Condo

Secured Interested Parties: None

Rating Information

Territory: 921

Program: Condominium-Residential A

Protection Class: 01

Class Rate - Building: 0.450

County: Wake

Construction: Frame

Class Code: 0332

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050

Company POLICY NUMBER 214615-35468209-22
Bill 35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

COVERAGE	COINSURANCE	DEDUCTIBLE	LIMIT
BUILDING (BLANKET)			\$6,213,910
Causes of Loss			
Basic Group I	100%	\$5,000	
Basic Group II	100%	\$5,000	
Special	100%	\$5,000	
Theft	100%	\$5,000	
OPTIONAL COVERAGE			
Inflation Guard Factor Building 1.231			
Replacement Cost			
Equipment Breakdown		\$5,000	See Form 54843
Property Plus Coverage Package		None	See 55198 (12-10)
Tier: Standard			
ORDINANCE OR LAW			
Coverage A-Undamaged Portion		\$5,000	Incl in Bldg Limit
Coverage B-Demolition		\$5,000	\$60,000
Coverage C-Increased Cost		\$5,000	\$60,000

Forms that apply to this building:

59350 (01-15)	54833 (07-08)	64027 (04-15)	IL0269 (10-94)	IL0022 (05-87)
IL0003 (07-02)	54232 (06-00)	64224 (01-16)	64326 (07-19)	59325 (12-19)
CP0090 (07-88)	64000 (12-10)	64013 (12-10)	64010 (12-10)	54843 (07-19)
64020 (12-10)	64004 (12-10)	59390 (11-20)		

COMMERCIAL PROPERTY COVERAGE - LOCATION 0002 SUMMARY

TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 54833, 59390

LOCATION 0002

COMMERCIAL GENERAL LIABILITY COVERAGE

COVERAGE	LIMITS OF INSURANCE
General Aggregate (Other Than Products-Completed Operations)	\$2,000,000
Products-Completed Operations Aggregate	\$1,000,000
Personal And Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
COMMERCIAL GENERAL LIABILITY PLUS ENDORSEMENT	
Damage to Premises Rented to You (Fire, Lightning, Explosion, Smoke or Water Damage)	\$300,000 Any One Premises

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050

Company POLICY NUMBER 214615-35468209-22
Bill 35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

COVERAGE	LIMITS OF INSURANCE
Medical Payments	\$10,000 Any One Person
Hired Auto & Non-Owned Auto	\$1,000,000 Each Occurrence
Expanded Coverage Details See Form:	
Extended Watercraft	
Personal Injury Extension	
Broadened Supplementary Payments	
Broadened Knowledge Of Occurrence	
Additional Products-Completed Operations Aggregate	
Blanket Additional Insured - Lessor of Leased Equipment	
Blanket Additional Insured - Managers or Lessors of Premises	
Newly Formed or Acquired Organizations Extension	
Blanket Waiver of Subrogation	

Twice the "General Aggregate Limit", shown above, is provided at no additional charge for each 12 month period in accordance with form 55885.

AUDIT TYPE: Non-Audited

Forms that apply to this coverage:

59350 (01-15)	55405 (07-08)	55146 (06-04)	CG2106 (05-14)	CG2109 (06-15)
55091 (05-17)	CG2004 (11-85)	CG2167 (12-04)	CG0127 (11-85)	IL0021 (07-02)
59325 (12-19)	CG0001 (04-13)	IL0269 (10-94)	IL0017 (11-85)	55513 (05-17)
55029 (05-17)	CG2196 (03-05)	CG2132 (05-09)	CG2147 (12-07)	55885 (05-17)
59390 (11-20)				

LOCATION 0001 - BUILDING 0001

Location: 3700 Baron Cooper Pass, Raleigh, NC 27612-4223

Territory: 004

County: Wake

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS
Commercial General Liability Plus Endorsement Included At 7.5% Of The Premises Operation Premium	00501	Prem/Op	Prem/Op Prem Included
Condominiums - Residential - (Association Risk Only)	62003	Prem/Op Prod/Comp Op	Units 20 20

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0001 SUMMARY

TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 55405, 59390

LOCATION 0001

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050

Company POLICY NUMBER 214615-35468209-22
Bill 35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

LOCATION 0002 - BUILDING 0001

Location: 3701 Baron Cooper Pass, Raleigh, NC 27612-4226

Territory: 004

County: Wake

CLASSIFICATION	CODE	SUBLINE	PREMIUM BASIS
Condominiums - Residential - (Association Risk Only)	62003		Units
		Prem/Op	20
		Prod/Comp Op	20

COMMERCIAL GENERAL LIABILITY COVERAGE - LOCATION 0002 SUMMARY

TERRORISM - CERTIFIED ACTS SEE FORM: 59350, 55405, 59390

LOCATION 0002

55041 (02-88)

COMMERCIAL CRIME COVERAGE

THIS DECLARATIONS PAGE SHOWS THE COVERAGE FORM(S) AND SECTION(S) WHICH APPLY AND FOR WHICH YOU HAVE PAID A PREMIUM.

Plan: 01 Combination Crime-Separate Limits Option

Location: All Premises

COVERAGE	BY PERSON/ POSITION	SECTION	LIMIT	DEDUCTIBLE
A-Blanket Employee Dishonesty			\$250,000	\$2,500

Cancellation of prior insurance: By acceptance of this fidelity bond you give us notice cancelling prior fidelity bond with the cancellation to be effective at the time this policy becomes effective.

Forms that apply to all premises:

IL0017 (11-85) CR0101 (11-85) IL0269 (10-94) IL0003 (07-02) 29415 (01-16)
59325 (12-19) CR0001 (10-90) CR1000 (06-95) CC175 (01-86) 25053 (07-16)

COMMERCIAL CRIME COVERAGE - ALL PREMISES PREMIUM SUMMARY

ALL PREMISES PREMIUM

Owners Ins. Co.

Issued 07-27-2022

AGENCY SNOTHERLY INSURANCE AGENCY INC
15-0559-00 MKT TERR 050

Company
Bill

POLICY NUMBER 214615-35468209-22
35-46-NC-2109

INSURED OLDE RALEIGH VILLAS CONDOMINIUM ASS

Term 09-28-2022 to 09-28-2023

55056 (07-87)

SUPPLEMENTAL DECLARATIONS

COMMERCIAL PROPERTY BLANKET INSURANCE
TOTAL BLANKET BUILDING LIMIT: 11,360,884
TOTAL BLANKET BPP LIMIT: 9,800

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ELECTRONIC DATA PROCESSING EQUIPMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 CAUSES OF LOSS - SPECIAL FORM

A. COVERAGE, 4. Additional Coverages is amended. The following Additional Coverage is added.

Electronic Data Processing Equipment

a. Covered Property

We will pay for:

- (1) Direct physical loss of or damage to electronic equipment, component parts of such equipment, "media" and air conditioning equipment necessary for the operation of the electronic equipment:
 - (a) Which you own or which is in your care, custody or control; and
 - (b) While located at the premises described in the Declarations. This provision (b) does not apply to "laptop computers"; and
 - (c) Caused by or resulting from any Covered Cause of Loss.
- (2) Your costs to research, replace or restore "electronic data" contained on damaged "media" because such "electronic data" has been destroyed or corrupted.

b. Exclusions

B. EXCLUSIONS of the CAUSES OF LOSS - SPECIAL FORM is amended. The following exclusions are added for purposes of this Additional Coverage only.

- (1) "Electrical disturbance" unless caused by lightning.
- (2) Loss or damage caused by:
 - (a) Data processing "media" failure; or
 - (b) Breakdown or malfunction of the data processing equipment and component parts while the "media" is being run through the system. We will cover loss, damage or expense caused directly by ensuing fire or explosion.
- (3) Actual work upon, installation or testing of Covered Property. We will cover loss, caused by ensuing fire or explosion.

- (4) "Mechanical breakdown". We will cover loss, damage or expense caused directly by lightning or by ensuing fire or explosion.
- (5) Faulty construction or error in design of the Covered Property. We will cover loss, damage or expense caused directly by ensuing fire or explosion.
- (6) Delay or loss of market.
- (7) Breakage, marring, scratching, tearing or denting of any "laptop computer", unless caused by:
 - (a) fire or lightning;
 - (b) aircraft;
 - (c) theft or attempted theft;
 - (d) windstorm or hail;
 - (e) earthquake;
 - (f) flood;
 - (g) explosion;
 - (h) vandalism or malicious mischief; or
 - (i) collision, derailment or overturn of a transporting conveyance.

c. Limit of Insurance

- (1) Our payment for electronic equipment, component parts of such equipment and air conditioning equipment necessary for the operation of such electronic equipment shall not exceed the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.
- (2) Our payment for "media" shall not exceed the smallest of the following:
 - (a) The actual cost to repair, replace or reproduce the "media", including your costs to research, replace or restore information;
 - (b) If the "media" is not repaired, replaced or reproduced, the value of blank "media"; or
 - (c) The Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

The Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT is the total limit of our liability for loss or damage to all Covered Property in any one occurrence at one location. With respect to Covered Property you do not own, we will pay no more than the amount for which you are legally liable.

The Additional Condition, Coinsurance, does not apply to this Additional Coverage.

d. Coverage Extensions

The following extensions apply only to this endorsement.

(1) Property At Newly Acquired Or Temporary Locations

- (a) You may extend the coverage provided under **a. Covered Property**, to apply to property:
- 1) At any location you acquire; or
 - 2) At any temporary location, other than fairs or exhibitions, you acquire within the territorial limits and intended for similar occupancy or warehousing purposes for the business described in the Declarations.

The most we will pay for loss or damage under this extension is the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

- (b) This coverage extension will end when any of the following first occurs:
- 1) Sixty (60) days from your acquisition or use of such property;
 - 2) On the date values at such locations are reported to us; or
 - 3) On the expiration date of the policy.

(2) Newly Acquired Property

- (a) You may extend the coverage provided under **a. Covered Property**, to apply to property which you newly acquire, of the same type as the property covered at the described premises. The most we will pay for loss or damage under this extension is the Limit of Insurance shown in the Declarations for ELECTRONIC DATA PROCESSING EQUIPMENT.

- (b) This coverage extension will end when any of the following first occurs:
- 1) Sixty (60) days from your acquisition or use of such property;
 - 2) On the date values of such property are reported to us; or
 - 3) On the expiration date of the policy.

Each of these extensions is additional insurance.

- e. The following Additional Coverages apply only to this endorsement.**

(1) Transportation

- (a) You may apply up to \$10,000, for any one occurrence for loss of or damage to property caused by:
- 1) Fire; lightning; explosion; smoke; riot and civil commotion; and vandalism and malicious mischief;
 - 2) The overturning, upset, or collision of the vehicle transporting the insured property, with another vehicle or object other than the road bed; or
 - 3) Theft of an entire shipping bale, case or package from a vehicle:
 - a) While such property is in a fully enclosed and securely locked body or compartment; and
 - b) Theft results from forcible entry, evidenced by visible marks which occurs during transportation by motor vehicles you own, lease or operate.
- (b) We do not cover under this extension property held as samples, held for rental or sale or that you rent to others while in the care, custody or control of salespersons.

(2) Business Income and Extra Expense

(a) Business Income

- 1) Subject to the Limit of Insurance provisions of this Additional Coverage, we will pay for the actual loss of Business Income you sustain as a direct result of the necessary "suspension" of your "operations" during the "period of restoration" caused by accidental direct physical loss of or damage to:
 - a) The electronic equipment or "media" covered by this Additional Coverage;
 - b) The building housing the electronic equipment or "media" that prevents access to and use of the electronic equipment or "media"; or
 - c) The air conditioning or electrical systems that are required to operate the electronic equipment, provided such damage or destruction is inside the building or outside within 1,000 feet of the building caused by the perils insured against and subject to **b. Exclusions**.
- 2) We will also pay expenses you incur to reduce the covered loss. We will not pay for expenses:
 - a) You incur to extinguish a fire; or

- b) That exceed the amount by which the covered loss is reduced.
- 3) Business Income means the:
- Net income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
 - Continuing normal operating expenses incurred, including payroll.
- (b) Extra Expense**
- Subject to the Limit of Insurance provisions of this Additional Coverage, we will pay necessary Extra Expense, other than loss of Business Income, you incur to continue "normal" operations of your business following accidental direct physical loss of or damage to:
 - The electronic equipment or "media" covered by this Additional Coverage;
 - The building housing the electronic equipment or "media" that prevents access to and use of the equipment or "media"; or
 - The air conditioning or electrical systems that are required to operate the electronic equipment, provided such damage or destruction is inside the building or outside within 1,000 feet of the building
 caused by the perils insured against and subject to **b. Exclusions**. You must resume normal operation of your business as soon as practical.
 - We will also cover the cost to repair, replace or restore:
 - Books of account, abstracts, drawings;
 - Card index systems; or
 - Other records or data such as film, tape, disks, drum, cell or other magnetic storage or recording "media" for electronic data processing
 that have been damaged or destroyed by perils we insure against.
 - Such cost must:
 - Exceed the normal cost for such repair, replacement or restoration; and
 - Be incurred to reduce loss under this endorsement.
 - Extra Expense means expense incurred:
 - To avoid or minimize the "suspension" of business and continue "operations":
 - At the described premises; or
 - At replacement premises or at temporary locations, including:
 - Relocation expenses; and
 - Costs to equip and operate the replacement or temporary locations.
 - To minimize the suspension of business if you cannot continue "operations".
 - To repair or replace any Covered Property; or
 - To research, replace or restore the lost information on damaged valuable papers and records to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.
- (c) Coverage Extension - Civil Authority**
- In this Coverage Extension - Civil Authority, the described premises are premises to which this endorsement applies, as shown in the Declarations.
- When a Covered Cause of Loss causes damage to property other than property at the described premises, you may extend your Business Income and Extra Expense Coverages to apply to 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, provided that both of the following apply:
- Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
 - The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.
- Civil Authority Coverage for Business Income and Extra Expense will begin immediately following the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which coverage began.

(d) Exclusions

The following exclusions apply to the Business Income and Extra Expense provided by this Additional Coverage only and are in addition to those contained in **b**.

Exclusions.

- 1) We will not be liable for any increase in loss of Business Income or Extra Expense caused by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:
 - a) Enforcement of any ordinance or law regulating construction, repair or demolition of buildings or structures;
 - b) Interference at the described premises by strikers or other persons with:
 - i. Rebuilding, repairing or replacing the property; or
 - ii. Resumption or continuation of business; or
 - c) The suspension, lapse, or cancellation of any lease, license, contract or order beyond the "period of restoration".
- 2) We will not cover loss or damage caused directly or indirectly by any of the following, whether or not any other cause or happening contributes concurrently or in any sequence to the loss or damage:
 - a) Theft of any property, which is not an integral part of a building or structure at the time of loss. We will cover direct loss that ensues from a peril not excluded in this policy. We will cover direct loss by pillage and looting which occurs during and at the immediate place of riot or civil commotion.
 - b) Any other consequential or remote loss.

(e) Limit of Insurance

- 1) Business Income
Subject to **(e) Limit of Insurance, Paragraph 3)**, we will pay only for loss of your Business Income that occurs during the "period of restoration", but not exceeding twelve (12) consecutive months after the date of accidental direct physical loss of or damage to Covered Property, resulting from a Covered Cause of Loss.

2) Extra Expense

Subject to **(e) Limit of Insurance, Paragraph 3)**, we will pay for necessary Extra Expense during the "period of restoration" starting with the date of damage or destruction. Payments under this coverage shall not be limited by the expiration of the policy.

- 3) Our total payment for both Business Income and Extra Expense for any one occurrence shall not exceed \$100,000.

(f) Loss Determination

- 1) The amount of Business Income loss will be determined based on:
 - a) The Net Income of the business before the direct physical loss or damage occurred;
 - b) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
 - c) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
 - d) Other relevant sources of information, including:
 - i. Your financial records and accounting procedures;
 - ii. Bills, invoices and other vouchers; and
 - iii. Deeds, liens or contracts.
- 2) The amount of Extra Expense will be determined based on:
 - a) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:
 - i. The salvage value that remains of any property bought for temporary use during the "period of restoration" once "operations" are resumed; and
 - ii. Any Extra Expense that is paid for by other insurance, except

for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

- b) All necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

3) Resumption Of Operations

We will reduce the amount of your:

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

- 4) If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

(g) Loss Payment - Business Income and Extra Expense

We will pay for covered loss within thirty (30) days after we receive the sworn proof of loss, if:

- 1) You have complied with all of the terms of this endorsement; and
- 2) a) We have reached agreement with you on the amount of loss; or
b) An appraisal award has been made.

f. Definitions

H. DEFINITIONS is amended. The following definitions are added for purposes of this Additional Coverage only.

- (1) "Electrical Disturbance" means electrical or magnetic damage, disturbance or erasure of electronic recordings.
- (2) "Laptop Computer" means portable data collectors, notebook (laptop) computers, subnotebook computers, palmtop computers, handheld

computers, tablet computers, credit card readers and portable or any similar computer. Laptop computer does not mean cellular phone, wireless phone or pager.

- (3) "Mechanical Breakdown" means component failure or mechanical malfunction, breakdown or failure.
- (4) "Media" means materials on which information is recorded such as film, magnetic tape, paper tape, disks, drums, and cards. Media includes computer software.
- (5) "Normal" means the condition that would have existed had no loss occurred.
- (6) "Operations" means your business activities occurring at the described premises.
- (7) "Period of Restoration":
 - (a) 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 date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.
 - (b) Does not include any increased period required resulting from the enforcement of any 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".
 - (c) The expiration date of this policy will not shorten or cause the "period of restoration" to terminate.
- (8) "Suspension" means:
 - (a) The slowdown or cessation of your business activities; or
 - (b) That a part or all of the described premises is rendered untenable, if coverage for Business Income applies.

All other policy terms and conditions apply.

64326 (7-19)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CHANGES - ACTUAL CASH VALUE AND DEPRECIATION

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

Wherever it appears in this Coverage Part and any endorsement attached to this Coverage Part:

- 1.** Actual cash value means the cost to repair or replace lost or damaged property with property of similar quality and features reduced by the amount of depreciation applicable to the lost or damaged property immediately prior to the loss.
- 2.** Depreciation means a decrease in value because of age, wear, obsolescence or market value and includes:
 - a.** The cost of materials, labor and services;

- b.** Any applicable taxes; and
- c.** Profit and overhead necessary to repair, rebuild or replace lost or damaged property.

The meanings of actual cash value and depreciation in this endorsement supersedes any provision in this Coverage Part and any endorsement attached to this Coverage Part to the contrary.

All other policy terms and conditions apply.

55405 (7-08)

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:

a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or

b. The Program is renewed, extended or otherwise continued in effect:

(1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and

(2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.

2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism

endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

- B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
- a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or

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- c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
- a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.
- C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for "bodily injury", "property damage", "personal injury" or "advertising injury" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". All "bodily injury", "property damage", "personal injury" or "advertising injury" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such

injury or damage. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;
2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM INVOLVING NUCLEAR, BIOLOGICAL OR CHEMICAL TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART

A. Applicability Of This Endorsement

1. The provisions of this endorsement will apply if and when one of the following situations occurs:

- a. The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act), terminates; or
- b. The Program is renewed, extended or otherwise continued in effect:

(1) With revisions that increase insurers' statutory percentage deductible or decrease the federal government's statutory percentage share in potential terrorism losses above such deductible, or that results in a change in the level or terms or conditions of coverage; and

(2) We are not required by the Program to make terrorism coverage available to you and elect not to do so.

2. When this endorsement becomes applicable in accordance with the terms of A.1.a. or A.1.b., above, it supersedes any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism".

3. If this endorsement does NOT become applicable, then any terrorism endorsement already endorsed to this policy, that addresses "certified acts of terrorism", will remain in effect. However, if the Program is renewed, extended or otherwise continued in effect with revisions that change the level or terms or conditions of coverage, and we are required to offer you the revised coverage or to provide the revised coverage to those who previously accepted coverage under the Program, then we will take the appropriate steps in response to the federal requirements.

B. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks.

"Terrorism" means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segments thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government or the civilian population, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

C. The following exclusion is added:

Exclusion Of "Terrorism"

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. This exclusion applies only when one or more of the following are attributed to an incident of "terrorism":

1. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination;

2. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material;
3. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
4. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, regardless of whether this endorsement was in effect during the entirety of that time period or not.

D. Exception To Exclusion Of "Terrorism" For Certain Fire Losses

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage caused by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements that apply to those coverage forms or to the Legal Liability Coverage Form.

**CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM
AND
IMPORTANT INFORMATION REGARDING TERRORISM RISK
INSURANCE COVERAGE**

It is agreed:

1. With respect to any one or more certified acts of terrorism, we will not pay any amounts for which we are not responsible because of the application of any provision which results in a cap on our liability for payments for terrorism losses in accordance with the terms of the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
2. Certified act of terrorism means any act certified by the Secretary of the Treasury, in consultation with:
 - a. the Secretary of Homeland Security; and
 - b. the Attorney General of the United Statesto be an act of terrorism as defined and in accordance with the federal Terrorism Risk Insurance Act of 2002 (including ensuing Congressional actions pursuant to the Act).
3. Under the federal Terrorism Risk Act of 2002 (including ensuing Congressional actions pursuant to the Act) a terrorist act may be certified:
 - a. if the aggregate covered commercial property and casualty insurance losses resulting from the terrorist act exceed \$5 million; and
 - b. (1) if the act of terrorism is:
 - a) a violent act; or
 - b) an act that is dangerous to human life, property or infrastructure; and(2) if the act is committed:
 - a) by an individual or individuals as part of an effort to coerce the civilian population of the United States; or
 - b) to influence the policy or affect the conduct of the United States government by coercion.

All other policy terms and conditions apply.

IMPORTANT INFORMATION REGARDING TERRORISM RISK INSURANCE COVERAGE

The Terrorism Risk Insurance Act of 2002 was signed into law on November 26, 2002. The Act (including ensuing Congressional actions pursuant to the Act) defines an act of terrorism, to mean any act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States to be (i) an act of terrorism; (ii) to be a violent act or an act that is dangerous to human life, property or infrastructure; (iii) to have resulted in damage within the United States or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

Subject to the policy terms and conditions, this policy provides insurance coverage for acts of terrorism as defined in the Act.

Any coverage for certain commercial lines of property and casualty insurance provided by your policy for losses caused by certified acts of terrorism are partially paid by the federal government under a formula established by federal law. Under this formula, the government will reimburse us for 85% of such covered losses that exceed the statutory deductible paid by us. However, beginning January 1, 2016 the share will decrease 1% per calendar year until it equals 80%. **You should also know that in the event aggregate insured losses exceed \$100 billion during any year the Act is in effect, then the federal government and participating United States insurers that have met their insurer deductible shall not be liable for the payment of any portion of that amount of the loss that exceeds \$100 billion. In the event that aggregate insured losses exceed \$100 billion annually, no additional claims will be paid by the federal government or insurers.** This formula is currently effective through December 31, 2020 unless extended.

The premium charge, if any, for this coverage is shown separately on the attached Declarations page. In the event of a certified act of terrorism, future policies also may include a government assessed terrorism loss risk-spreading premium in accordance with the provisions of the Act.

Please contact us if you would like to reject coverage for certified acts of terrorism.