



Harleysville Worcester Insurance Company
 355 Maple Avenue
 Harleysville, PA 19438-2297
 www.harleysvillegroup.com

Insured: New York State Bridge Authority
Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CR00000072769F
Policy Period: 08/01/2014 to 08/01/2015
RENEWAL

COMMERCIAL LINES COMMON POLICY DECLARATIONS

Named Insured and Mailing Address:

New York State Bridge Authority
 PO Box 1010
 Highland, NY 12528-8010

Agent:

ASSOCIATES OF GLENS FALLS INC
 P O BOX 190
 GLENS FALLS, NY 12801

Agency Code: 815710
Phone Number: (518)793-3444

Policy Period: 08/01/2014 to 08/01/2015

at 12:01 A.M. Standard Time at your mailing address
 shown above.

Business Description:

Bridge Authority

Form of Business:

GOVERNMENT AGENCY

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. IF YOU REQUEST
 CANCELLATION OF THIS POLICY, THE COMPANY WILL RETAIN A MINIMUM PREMIUM OF \$ 150

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS
 INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Coverage Part	Premium
Commercial Property Coverage Part	
Commercial General Liability Coverage Part	
Crime and Fidelity Policy Coverage Part	\$ 3,153.00
Commercial Inland Marine Coverage Part	
Commercial Auto Coverage Part	
Commercial Liability Umbrella Policy	
	Sub-Total \$ 3,153.00
	Fees and Surcharge - See Schedule GU-7015 (If Applicable)
	Total \$ 3,153.00

FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY:
 SEE SCHEDULES GU-7004 and GU-7009

GU-7000 (Ed. 4-09)

Page: 1 of 1
 Issued: 09/18/2014



Insured Copy



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FORM SCHEDULE

ALL FORMS ARE ATTACHED. RETAIN UNLESS DELETED OR REPLACED. * INDICATES A NEW OR REPLACEMENT FORM.

Form	Edition	Description
		POLICY FORMS
* PJ0003	0514	Policy Jacket- HWIC
GU7005	0409	Location Schedule
* IL0268	0114	New York Changes - Cancellation and Nonrenewal
		CRIME FORMS
CR0023	0506	Commercial Crime Policy(Loss Sustained Form)
CR0155	0502	New York Changes
* CR0234	0114	New York Changes
CR0401	0506	Clients Property
CR2020	0702	Calculation of Premium
CR2021	0300	Exclusion of Certain Computer-Related Losses





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POLICYHOLDER NOTICE SCHEDULE

The following material contains important information about your policy. Please read it carefully.

ALL FORMS ARE ATTACHED. RETAIN UNLESS DELETED OR REPLACED. * INDICATES A NEW OR REPLACEMENT FORM.

Form	Edition	Description
		POLICY FORMS
GU1197	0706	Harleysville Insurance Privacy Pledge

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LOCATION SCHEDULE

Prem. No.	Bldg. No.	Address
001	ALL	Rip Van Winkle Bridge Catskill, NY 12414-0000
002	ALL	Kingston-Rhinecliff Bridge Kingston, NY 12401-0000
003	ALL	Mid-Hudson Bridge Highland, NY 12528-0000
004	ALL	Newburgh-Beacon Bridge Beacon, NY 12508-0000
005	ALL	Bear Mountain Bridge Fort Montgomery, NY 10922-0000

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART
COMMERCIAL GENERAL LIABILITY COVERAGE PART
COMMERCIAL INLAND MARINE COVERAGE PART
COMMERCIAL PROPERTY COVERAGE PART
CRIME AND FIDELITY COVERAGE PART
EQUIPMENT BREAKDOWN COVERAGE PART
FARM COVERAGE PART
LIQUOR LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A. Paragraphs 1., 2., 3. and 5. of the Cancellation Common Policy Condition are replaced by the following:**
1. The first Named Insured shown in the Declarations may cancel this entire policy by mailing or delivering to us advance written notice of cancellation.
 2. **Cancellation Of Policies In Effect**
 - a. **60 Days Or Less**

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

 - (1) 30 days before the effective date of cancellation if we cancel for any reason not included in Paragraph A.2.b. below.
 - (2) 15 days before the effective date of cancellation if we cancel for any of the reasons included in Paragraph A.2.b. below.
 - b. **For More Than 60 Days**

If this policy has been in effect for more than 60 days, or if this policy is a renewal or continuation of a policy we issued, we may cancel only for any of the reasons listed below, provided we mail the first Named Insured written notice at least 15 days before the effective date of cancellation:

 - (1) Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;
 - (2) Conviction of a crime arising out of acts increasing the hazard insured against;
 - (3) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim;
 - (4) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy period;
 - (5) Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the policy, which results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;
 - (6) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public;



(7) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code; or

(8) Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If we cancel for this reason, you may make a written request to the Department of Financial Services, within 10 days of receipt of this notice, to review our cancellation decision. Also, we will simultaneously send a copy of this cancellation notice to the Department of Financial Services.

3. We will mail or deliver our notice, including the reason for cancellation, to the first Named Insured at the address shown in the policy and to the authorized agent or broker.
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.

However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.

B. The following is added to the Cancellation Common Policy Condition:

7. If one of the reasons for cancellation in Paragraph A.2.b. or D.2.b.(2) exists, we may cancel this entire policy, even if the reason for cancellation pertains only to a new coverage or endorsement initially effective subsequent to the original issuance of this policy.

C. The following conditions are added:

1. Nonrenewal

If we decide not to renew this policy we will send notice as provided in Paragraph C.3. below.

2. Conditional Renewal

If we conditionally renew this policy subject to:

- a. A change of limits;

b. A change in type of coverage;

c. A reduction of coverage;

d. An increased deductible;

e. An addition of exclusion; or

f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

we will send notice as provided in Paragraph C.3. below.

3. Notices Of Nonrenewal And Conditional Renewal

a. If we decide not to renew this policy or to conditionally renew this policy as provided in Paragraphs C.1. and C.2. above, we will mail or deliver written notice to the first Named Insured shown in the Declarations at least 60 but not more than 120 days before:

(1) The expiration date; or

(2) The anniversary date if this is a continuous policy.

b. Notice will be mailed or delivered to the first Named Insured at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.

c. Notice will include the specific reason(s) for nonrenewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.

d. If we violate any of the provisions of Paragraph C.3.a., b. or c. above by sending the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice:

- (1) And if notice is provided prior to the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first Named Insured, during this 60-day period, has replaced the coverage or elects to cancel;

- (2) And if the notice is provided on or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another policy period, at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.
- e. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:
- (1) Upon expiration of the 60-day period, unless Subparagraph (2) below applies; or
 - (2) Notwithstanding the provisions in Paragraphs d.(1) and d.(2), as of the renewal date of the policy if the conditional renewal notice was sent at least 30 days prior to the expiration or anniversary date of the policy.
- f. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.
- D. The following provisions apply when the Commercial Property Coverage Part, the Farm Coverage Part or the Capital Assets Program (Output Policy) Coverage Part is made a part of this policy:
1. Items D.2. and D.3. apply if this policy meets the following conditions:
 - a. The policy is issued or issued for delivery in New York State covering property located in this state; and
 - b. The policy insures:
 - (1) For loss of or damage to structures, other than hotels or motels, used predominantly for residential purposes and consisting of no more than four dwelling units; or
 - (2) For loss of or damage to personal property other than farm personal property or business property; or
 - (3) Against damages arising from liability for loss of, damage to or injury to persons or property, except liability arising from business or farming; and
 - c. The portion of the annual premium attributable to the property and contingencies described in 1.b. exceeds the portion applicable to other property and contingencies.
2. Paragraph 2. of the Cancellation Common Policy Condition is replaced by the following:
- 2. Procedure And Reasons For Cancellation**
- a. We may cancel this entire policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - (1) 15 days before the effective date of cancellation if we cancel for nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
 - b. But if this policy:
 - (1) Has been in effect for more than 60 days; or
 - (2) Is a renewal of a policy we issued; we may cancel this policy only for one or more of the following reasons:
 - (1) Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;
 - (2) Conviction of a crime arising out of acts increasing the risk of loss;
 - (3) Discovery of fraud or material misrepresentation in obtaining the policy or in making a claim;
 - (4) Discovery of willful or reckless acts or omissions increasing the risk of loss;
 - (5) Physical changes in the covered property that make that property uninsurable in accordance with our objective and uniformly applied underwriting standards in effect when we:
 - (a) Issued the policy; or
 - (b) Last voluntarily renewed the policy;



- (6) The Superintendent of Financial Services' determination that continuing the policy would violate Chapter 28 of the Insurance Law; or
- (7) Required pursuant to a determination by the Superintendent of Financial Services that the continuation of our present premium volume would be hazardous to the interests of our policyholders, our creditors or the public.

3. The following are added:

a. **Conditional Continuation**

Instead of cancelling this policy, we may continue it on the condition that:

- (1) The policy limits be changed; or
- (2) Any coverage not required by law be eliminated.

If this policy is conditionally continued, we will mail or deliver to the first Named Insured written notice at least 20 days before the effective date of the change or elimination. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

b. **Nonrenewal**

If, as allowed by the laws of New York State, we:

- (1) Do not renew this policy; or
- (2) Condition policy renewal upon:
 - (a) Change of limits; or
 - (b) Elimination of coverage;

we will mail or deliver written notice of nonrenewal or conditional renewal:

- (a) At least 45 days; but
- (b) Not more than 60 days;

before the expiration date of the policy. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

- E. The following is added to the Farm Property – Other Farm Provisions Form – Additional Coverages, Conditions, Definitions, the Commercial Property Coverage Part and the Capital Assets Program (Output Policy) Coverage Part:

When the property is subject to the Anti-arson Application in accordance with New York Department of Financial Services' Insurance Regulation No. 96, the following provisions are added:

If you fail to return the completed, signed and affirmed anti-arson application to us:

- 1. Or our broker or agent within 45 days of the effective date of a new policy, we will cancel the entire policy by giving 20 days' written notice to you and to the mortgageholder shown in the Declarations.
- 2. Before the expiration date of any policy, we will cancel the policy by giving written notice to you and to the mortgageholder shown in the Declarations at least 15 days before the effective date of cancellation.

The cancellation provisions set forth in E.1. and E.2. above supersede any contrary provisions in this policy including this endorsement.

If the notice in E.1. or E.2. above is mailed, proof of mailing will be sufficient proof of notice. Delivery of the notice will be the same as mailing.

- F. The following applies to the Commercial Property Coverage Part, the Farm Coverage Part and the Capital Assets Program (Output Policy) Coverage Part:

Paragraphs f. and g. of the **Mortgageholders Condition** are replaced by the following:

f. **Cancellation**

- (1) If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (a) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (b) 30 days before the effective date of cancellation if we cancel for any other reason.

(2) If you cancel this policy, we will give written notice to the mortgageholder. With respect to the mortgageholder's interest only, cancellation will become effective on the later of:

- (a) The effective date of cancellation of the insured's coverage; or
- (b) 10 days after we give notice to the mortgageholder.

g. Nonrenewal

(1) If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

(2) If you elect not to renew this policy, we will give written notice to the mortgageholder. With respect to the mortgageholder's interest only, nonrenewal will become effective on the later of:

- (a) The expiration date of the policy; or
- (b) 10 days after we give notice to the mortgageholder.

G. The following provisions apply when the following are made a part of this policy:

Commercial General Liability Coverage Part
Employment-Related Practices Liability Coverage Part
Farm Liability Coverage Form
Liquor Liability Coverage Part
Products/Completed Operations Liability Coverage Part

- 1. The aggregate limits of this policy as shown in the Declarations will be increased in proportion to any policy extension provided in accordance with Paragraph C.3.d. above.
- 2. The last sentence of Limits Of Insurance does not apply when the policy period is extended because we sent the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice.





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 RENEWAL

COMMERCIAL CRIME
 CR-7202 (Ed. 7-09)

COMMERCIAL CRIME POLICY DECLARATIONS

In Return For The Payment Of The Premium, And Subject To All The Terms And Conditions Of This Policy, We Agree With You To Provide The Insurance As Stated In This Policy.

NAMED INSURED: New York State Bridge Authority

(Also list any Employee Benefit Plan(s) included as Insureds)

MAILING ADDRESS: PO Box 1010, Highland, NY 12528-8010

POLICY PERIOD: 08/01/2014 to 08/01/2015 (12:01 A.M. at your Mailing Address shown above)

INSURING AGREEMENTS, LIMITS OF INSURANCE AND DEDUCTIBLE

INSURING AGREEMENTS	LIMIT OF INSURANCE	DEDUCTIBLE AMOUNT
	Per Occurrence	Per Occurrence
1. Employee Theft		See Schedule
2. Forgery Or Alteration		See Schedule
3. Inside The Premises – Theft Of Money And Securities		See Schedule
4. Inside The Premises – Robbery Or Safe Burglary Of Other Property		Not Covered
5. Outside The Premises		See Schedule
6. Computer Fraud		Not Covered
7. Funds Transfer Fraud		Not Covered
8. Money Orders And Counterfeit Paper Currency		See Schedule

If Added by Endorsement, Insuring Agreement(s):

SEE SCHEDULE CR-7200

If "Not Covered" is inserted above opposite any specified Insuring Agreement, such Insuring Agreement and any other reference thereto in this policy is deleted.

ENDORSEMENTS FORMING PART OF THIS POLICY WHEN ISSUED:

SEE SCHEDULES GU-7004 and GU-7009

CANCELLATION OF PRIOR INSURANCE ISSUED BY US:

By acceptance of this Policy you give us notice cancelling prior policy Nos. _____ ;
 the cancellation to be effective at the time this Policy becomes effective.





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SCHEDULE OF INSURING AGREEMENTS

INSURING AGREEMENT(S)	LIMIT OF INSURANCE Per Occurrence	NUMBER OF PREMISES	DEDUCTIBLE Per Occurrence	PREMIUM
EMPLOYEE THEFT	\$ 150,000	005	\$ 1,000	\$ 208
FORGERY OR ALTERATION	\$ 150,000	005	\$ 1,000	\$ 109
INSIDE PREMISES-THEFT OF M&S	\$ 150,000	005	\$ 1,000	\$ 2,481
OUTSIDE THE PREMISES	\$ 150,000	005	\$ 1,000	\$ 314
MONEY ORDERS/COUNTERFEIT PAPERS	\$ 150,000	001	\$ 1,000	\$ 41

Total Premium
 CR-7200 (Ed. 7-09)

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\$ 3,153
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COMMERCIAL CRIME POLICY (LOSS SUSTAINED FORM)

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

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

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

A. Insuring Agreements

Coverage is provided under the following Insuring Agreements for which a Limit of Insurance is shown in the Declarations and applies to loss that you sustain resulting directly from an "occurrence" taking place during the Policy Period shown in the Declarations, except as provided in Condition E.1.o. or E.1.p., which is "discovered" by you during the Policy Period shown in the Declarations or during the period of time provided in the Extended Period To Discover Loss Condition E.1.j.:

1. Employee Theft

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from "theft" committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

For the purposes of this Insuring Agreement, "theft" shall also include forgery.

2. Forgery Or Alteration

a. We will pay for loss resulting directly from "forgery" or alteration of checks, drafts, promissory notes, or similar written promises, orders or directions to pay a sum certain in "money" that are:

- (1) Made or drawn by or drawn upon you; or
- (2) Made or drawn by one acting as your agent;

or that are purported to have been so made or drawn.

For the purposes of this Insuring Agreement, a substitute check as defined in the Check Clearing for the 21st Century Act shall be treated the same as the original it replaced.

b. If you are sued for refusing to pay any instrument covered in Paragraph 2.a., on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur and pay in that defense. The amount that we will pay is in addition to the Limit of Insurance applicable to this Insuring Agreement.

3. Inside The Premises – Theft Of Money And Securities

a. We will pay for loss of "money" and "securities" inside the "premises" or "banking premises":

- (1) Resulting directly from "theft" committed by a person present inside such "premises" or "banking premises"; or
- (2) Resulting directly from disappearance or destruction.

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "theft" of "money" and "securities", if you are the owner of the "premises" or are liable for damage to it.

c. We will pay for loss of or damage to a locked safe, vault, cash register, cash box or cash drawer located inside the "premises" resulting directly from an actual or attempted "theft" of or unlawful entry into those containers.

4. Inside The Premises – Robbery Or Safe Burglary Of Other Property

a. We will pay for loss of or damage to "other property":

- (1) Inside the "premises" resulting directly from an actual or attempted "robbery" of a "custodian"; or
- (2) Inside the "premises" in a safe or vault resulting directly from an actual or attempted "safe burglary".

b. We will pay for loss from damage to the "premises" or its exterior resulting directly from an actual or attempted "robbery" or "safe burglary" of "other property", if you are the owner of the "premises" or are liable for damage to it.

- c. We will pay for loss of or damage to a locked safe or vault located inside the "premises" resulting directly from an actual or attempted "robbery" or "safe burglary".

5. Outside The Premises

- a. We will pay for loss of "money" and "securities" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from "theft", disappearance or destruction.
- b. We will pay for loss of or damage to "other property" outside the "premises" in the care and custody of a "messenger" or an armored motor vehicle company resulting directly from an actual or attempted "robbery".

6. Computer Fraud

We will pay for loss of or damage to "money", "securities" and "other property" resulting directly from the use of any computer to fraudulently cause a transfer of that property from inside the "premises" or "banking premises":

- a. To a person (other than a "messenger") outside those "premises"; or
- b. To a place outside those "premises".

7. Funds Transfer Fraud

We will pay for loss of "funds" resulting directly from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

8. Money Orders And Counterfeit Money

We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:

- a. Money orders issued by any post office, express company or bank that are not paid upon presentation; or
- b. "Counterfeit money" that is acquired during the regular course of business.

B. Limit Of Insurance

The most we will pay for all loss resulting directly from an "occurrence" is the applicable Limit of Insurance shown in the Declarations.

If any loss is covered under more than one Insuring Agreement or Coverage, the most we will pay for such loss shall not exceed the largest Limit of Insurance available under any one of those Insuring Agreements or Coverages.

C. Deductible

We will not pay for loss resulting directly from an "occurrence" unless the amount of loss exceeds the Deductible Amount shown in the Declarations. We will then pay the amount of loss in excess of the Deductible Amount, up to the Limit of Insurance.

D. Exclusions

1. This policy does not cover:

a. Acts Committed By You, Your Partners Or Your Members

Loss resulting from "theft" or any other dishonest act committed by:

- (1) You; or
- (2) Any of your partners or "members"; whether acting alone or in collusion with other persons.

b. Acts Of Employees Learned Of By You Prior To The Policy Period

Loss caused by an "employee" if the "employee" had also committed "theft" or any other dishonest act prior to the effective date of this policy and you or any of your partners, "members", "managers", officers, directors or trustees, not in collusion with the "employee", learned of that "theft" or dishonest act prior to the Policy Period shown in the Declarations.

c. Acts Of Employees, Managers, Directors, Trustees Or Representatives

Loss resulting from "theft" or any other dishonest act committed by any of your "employees", "managers", directors, trustees or authorized representatives:

- (1) Whether acting alone or in collusion with other persons; or
- (2) While performing services for you or otherwise;

except when covered under Insuring Agreement A.1.

d. Confidential Information

Loss resulting from:

- (1) The unauthorized disclosure of your confidential information including, but not limited to, patents, trade secrets, processing methods or customer lists; or
- (2) The unauthorized use or disclosure of confidential information of another person or entity which is held by you including, but not limited to, financial information, personal information, credit card information or similar non-public information.



e. Governmental Action

Loss resulting from seizure or destruction of property by order of governmental authority.

f. Indirect Loss

Loss that is an indirect result of an "occurrence" covered by this policy including, but not limited to, loss resulting from:

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

g. Legal Fees, Costs And Expenses

Fees, costs and expenses incurred by you which are related to any legal action, except when covered under Insuring Agreement A.2.

h. Nuclear Hazard

Loss or damage resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

i. Pollution

Loss or damage caused by or resulting from pollution. Pollution means the discharge, dispersal, seepage, migration, release or escape of 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.

j. War And Military Action

Loss or damage resulting from:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

2. Insuring Agreement A.1. does not cover:**a. Inventory Shortages**

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

However, where you establish wholly apart from such computations that you have sustained a loss, then you may offer your inventory records and actual physical count of inventory in support of the amount of loss claimed.

b. Trading

Loss resulting from trading, whether in your name or in a genuine or fictitious account.

c. Warehouse Receipts

Loss resulting from the fraudulent or dishonest signing, issuing, cancelling or failing to cancel, a warehouse receipt or any papers connected with it.

3. Insuring Agreements A.3., A.4. and A.5. do not cover:**a. Accounting Or Arithmetical Errors Or Omissions**

Loss resulting from accounting or arithmetical errors or omissions.

b. Exchanges Or Purchases

Loss resulting from the giving or surrendering of property in any exchange or purchase.

c. Fire

Loss or damage resulting from fire, however caused, except:

- (1) Loss of or damage to "money" and "securities"; and
- (2) Loss from damage to a safe or vault.

d. 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.

e. Motor Vehicles Or Equipment And Accessories

Loss of or damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them.

f. Transfer Or Surrender Of Property

- (1) Loss of or damage to property after it has been transferred or surrendered to a person or place outside the "premises" or "banking premises":
 - (a) On the basis of unauthorized instructions;
 - (b) As a result of a threat to do bodily harm to any person;
 - (c) As a result of a threat to do damage to any property;
 - (d) As a result of a threat to introduce a denial of service attack into your computer system;
 - (e) As a result of a threat to introduce a virus or other malicious instruction into your computer system which is designed to damage, destroy or corrupt data or computer programs stored within your computer system;
 - (f) As a result of a threat to contaminate, pollute or render substandard your products or goods; or
 - (g) As a result of a threat to disseminate, divulge or utilize:
 - (i) Your confidential information; or
 - (ii) Weaknesses in the source code within your computer system.
- (2) But, this Exclusion does not apply under Insuring Agreement A.5. to loss of "money", "securities" or "other property" while outside the "premises" in the care and custody of a "messenger" if you:
 - (a) Had no knowledge of any threat at the time the conveyance began; or
 - (b) Had knowledge of a threat at the time the conveyance began, but the loss was not related to the threat.

g. Vandalism

Loss from damage to the "premises" or its exterior, or to any safe, vault, cash register, cash box, cash drawer or "other property" by vandalism or malicious mischief.

h. Voluntary Parting Of Title To Or Possession Of Property

Loss resulting from your, or anyone acting on your express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property.

4. Insuring Agreement A.6. does not cover:

a. Credit Card Transactions

Loss resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

b. Funds Transfer Fraud

Loss resulting from a "fraudulent instruction" directing a financial institution to transfer, pay or deliver "funds" from your "transfer account".

c. Inventory Shortages

Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- (1) An inventory computation; or
- (2) A profit and loss computation.

5. Insuring Agreement A.7. does not cover:

COMPUTER FRAUD

Loss resulting from the use of any computer to fraudulently cause a transfer of "money", "securities" or "other property".

E. Conditions

1. Conditions Applicable To All Insuring Agreements

a. Additional Premises Or Employees

If, while this policy is in force, you establish any additional "premises" or hire additional "employees", other than through consolidation or merger with, or purchase or acquisition of assets or liabilities of, another entity, such "premises" and "employees" shall automatically be covered under this policy. Notice to us of an increase in the number of "premises" or "employees" need not be given and no additional premium need be paid for the remainder of the Policy Period shown in the Declarations.

b. Cancellation Of Policy

- (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 non-payment 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.

c. 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.

d. Concealment, Misrepresentation Or Fraud

This policy is void in any case of fraud by you as it relates to this policy 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 policy;
- (2) The property covered under this policy;
- (3) Your interest in the property covered under this policy; or
- (4) A claim under this policy.

e. Consolidation – Merger Or Acquisition

If you consolidate or merge with, or purchase or acquire the assets or liabilities of, another entity:

- (1) You must give us written notice as soon as possible and obtain our written consent to extend the coverage provided by this policy to such consolidated or merged entity or such purchased or acquired assets or liabilities. We may condition our consent by requiring payment of an additional premium; but

- (2) For the first 90 days after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities, the coverage provided by this policy shall apply to such consolidated or merged entity or such purchased or acquired assets or liabilities, provided that all "occurrences" causing or contributing to a loss involving such consolidation, merger or purchase or acquisition of assets or liabilities, must take place after the effective date of such consolidation, merger or purchase or acquisition of assets or liabilities.

f. Cooperation

You must cooperate with us in all matters pertaining to this policy as stated in its terms and conditions.

g. Duties In The Event Of Loss

After you "discover" a loss or a situation that may result in loss of or damage to "money", "securities" or "other property" you must:

- (1) Notify us as soon as possible. If you have reason to believe that any loss (except for loss covered under Insuring Agreement A.1. or A.2.) involves a violation of law, you must also notify the local law enforcement authorities.
- (2) Submit to examination under oath at our request and give us a signed statement of your answers.
- (3) Produce for our examination all pertinent records.
- (4) Give us a detailed, sworn proof of loss within 120 days.
- (5) Cooperate with us in the investigation and settlement of any claim.

h. Employee Benefit Plans

- (1) The "employee benefit plans" shown in the Declarations (hereafter referred to as Plan) are included as Insureds under Insuring Agreement A.1.
- (2) If any Plan is insured jointly with any other entity under this policy, you or the Plan Administrator must select a Limit of Insurance for Insuring Agreement A.1. that is sufficient to provide a Limit of Insurance for each Plan that is at least equal to that required if each Plan were separately insured.

- (3) With respect to loss sustained or "discovered" by any such Plan, Insuring Agreement **A.1.** is replaced by the following:

We will pay for loss of or damage to "funds" and "other property" resulting directly from fraudulent or dishonest acts committed by an "employee", whether identified or not, acting alone or in collusion with other persons.

- (4) If the first Named Insured is an entity other than a Plan, any payment we make for loss sustained by any Plan will be made to the Plan sustaining the loss.
- (5) If two or more Plans are insured under this policy, any payment we make for loss:
- (a) Sustained by two or more Plans; or
 - (b) Of commingled "funds" or "other property" of two or more Plans;
- resulting directly from an "occurrence" will be made to each Plan sustaining loss in the proportion that the Limit of Insurance required for each Plan bears to the total Limit of Insurance of all Plans sustaining loss.
- (6) The Deductible Amount applicable to Insuring Agreement **A.1.** does not apply to loss sustained by any Plan.

i. 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 shown in the Declarations and up to 3 years afterward.

j. Extended Period To Discover Loss

We will pay for loss that you sustained prior to the effective date of cancellation of this policy, which is "discovered" by you:

- (1) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by you, whether from us or another insurer, replacing in whole or in part the coverage afforded under this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

- (2) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

k. 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 **k.(1)** and **k.(2)** apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.

l. 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 policy. 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, "member" or officer of that Insured has knowledge of any information relevant to this policy, 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 policy or any of its coverages is cancelled as to any Insured, loss sustained by that Insured is covered only if it is "discovered" by you:

(a) No later than 1 year from the date of that cancellation. However, this extended period to "discover" loss terminates immediately upon the effective date of any other insurance obtained by that Insured, whether from us or another insurer, replacing in whole or in part the coverage afforded under this policy, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

(b) No later than 1 year from the date of that cancellation with regard to any "employee benefit plans".

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

(6) Payment by us to the first Named Insured for loss sustained by any Insured, other than an "employee benefit plan", shall fully release us on account of such loss.

m. Legal Action Against Us

You may not bring any legal action against us involving loss:

(1) Unless you have complied with all the terms of this policy;

(2) Until 90 days after you have filed proof of loss with us; and

(3) Unless brought within 2 years from the date you "discovered" the loss.

If any limitation in this Condition is prohibited by law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

n. Liberalization

If we adopt any revision that would broaden the coverage under this policy without additional premium within 45 days prior to or during the Policy Period shown in the Declarations, the broadened coverage will immediately apply to this policy.

o. Loss Sustained During Prior Insurance Issued By Us Or Any Affiliate

(1) Loss Sustained Partly During This Policy And Partly During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place:

(a) Partly during the Policy Period shown in the Declarations; and

(b) Partly during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest;

and this policy became effective at the time of cancellation of the prior insurance, we will first settle the amount of loss that you sustained during this Policy Period. We will then settle the remaining amount of loss that you sustained during the Policy Period(s) of the prior insurance.

(2) Loss Sustained Entirely During Prior Insurance

If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place entirely during the Policy Period(s) of any prior cancelled insurance that we or any affiliate issued to you or any predecessor in interest, we will pay for the loss, provided:

(a) This policy became effective at the time of cancellation of the prior insurance; and

(b) The loss would have been covered under this policy had it been in effect at the time of the "occurrence".

We will first settle the amount of loss that you sustained during the most recent prior insurance. We will then settle any remaining amount of loss that you sustained during the Policy Period(s) of any other prior insurance.

(3) In settling loss subject to this Condition:

(a) The most we will pay for the entire loss is the highest single Limit of Insurance applicable during the period of loss, whether such limit was written under this policy or was written under the prior insurance issued by us.

- (b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under this policy. If no loss was sustained under this policy, we will apply the Deductible Amount shown in the Declarations to the amount of loss sustained under the most recent prior insurance.

If the Deductible Amount is larger than the amount of loss sustained under this policy, or the most recent prior insurance, we will apply the remaining Deductible Amount to the remaining amount of loss sustained during the prior insurance.

We will not apply any other Deductible Amount that may have been applicable to the loss.

- (4) The following examples demonstrate how we will settle losses subject to this Condition E.1.o.:

EXAMPLE NO. 1:

The insured sustained a covered loss of \$10,000 resulting directly from an "occurrence" taking place during the terms of Policy A and Policy B.

POLICY A

The current policy. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

POLICY B

Issued prior to Policy A. Written at a Limit of Insurance of \$50,000 and a Deductible Amount of \$5,000.

The amount of loss sustained under Policy A is \$2,500 and under Policy B is \$7,500.

The highest single Limit of Insurance applicable to this entire loss is \$50,000 written under Policy A. The Policy A Deductible Amount of \$5,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$2,500) is settled first. The amount we will pay is nil (\$0.00) because the amount of loss is less than the Deductible Amount (i.e., \$2,500 loss - \$5,000 deductible = \$0.00).

2. The remaining amount of loss sustained under Policy B (\$7,500) is settled next. The amount recoverable is \$5,000 after the remaining Deductible Amount from Policy A of \$2,500 is applied to the loss (i.e., \$7,500 loss - \$2,500 deductible = \$5,000).

The most we will pay for this loss is \$5,000.

EXAMPLE NO. 2:

The insured sustained a covered loss of \$250,000 resulting directly from an "occurrence" taking place during the terms of Policy A and Policy B.

POLICY A

The current policy. Written at a Limit of Insurance of \$125,000 and a Deductible Amount of \$10,000.

POLICY B

Issued prior to Policy A. Written at a Limit of Insurance of \$150,000 and a Deductible Amount of \$25,000.

The amount of loss sustained under Policy A is \$175,000 and under Policy B is \$75,000.

The highest single Limit of Insurance applicable to this entire loss is \$150,000 written under Policy B. The Policy A Deductible Amount of \$10,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$175,000) is settled first. The amount we will pay is the Policy A Limit of \$125,000 because \$175,000 loss - \$10,000 deductible = \$165,000 which is greater than the \$125,000 policy limit.
2. The remaining amount of loss sustained under Policy B (\$75,000) is settled next. The amount we will pay is \$25,000 (i.e., \$150,000 Policy B limit - \$125,000 paid under Policy A = \$25,000).

The most we will pay for this loss is \$150,000.

EXAMPLE NO. 3:

The insured sustained a covered loss of \$2,000,000 resulting directly from an "occurrence" taking place during the terms of Policies A, B, C and D.



POLICY A

The current policy. Written at a Limit of Insurance of \$1,000,000 and a Deductible Amount of \$100,000.

POLICY B

Issued prior to Policy A. Written at a Limit of Insurance of \$750,000 and a Deductible Amount of \$75,000.

POLICY C

Issued prior to Policy B. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

POLICY D

Issued prior to Policy C. Written at a Limit of Insurance of \$500,000 and a Deductible Amount of \$50,000.

The amount of loss sustained under Policy A is \$350,000, under Policy B is \$250,000, under Policy C is \$600,000 and under Policy D is \$800,000.

The highest single Limit of Insurance applicable to this entire loss is \$1,000,000 written under Policy A. The Policy A Deductible Amount of \$100,000 applies. The loss is settled as follows:

1. The amount of loss sustained under Policy A (\$350,000) is settled first. The amount we will pay is \$250,000 (i.e., \$350,000 loss - \$100,000 deductible = \$250,000).
2. The amount of loss sustained under Policy B (\$250,000) is settled next. The amount we will pay is \$250,000 (no deductible is applied).
3. The amount of loss sustained under Policy C (\$600,000) is settled next. The amount we will pay is \$500,000, the policy limit (no deductible is applied).
4. We will not make any further payment under Policy D as the maximum amount payable under the highest single Limit of Insurance applying to the loss of \$1,000,000 under Policy A has been satisfied.

The most we will pay for this loss is \$1,000,000.

p. Loss Sustained During Prior Insurance Not Issued By Us Or Any Affiliate

- (1) If you "discover" loss during the Policy Period shown in the Declarations, resulting directly from an "occurrence" taking place during the Policy Period of any prior cancelled insurance that was issued to you or a predecessor in interest by another company, and the period of time to discover loss under that insurance had expired, we will pay for the loss under this policy, provided:
 - (a) This policy became effective at the time of cancellation of the prior insurance; and
 - (b) The loss would have been covered under this policy had it been in effect at the time of the "occurrence".
- (2) In settling loss subject to this Condition:
 - (a) The most we will pay for the entire loss is the lesser of the Limits of Insurance applicable during the period of loss, whether such limit was written under this policy or was written under the prior cancelled insurance.
 - (b) We will apply the applicable Deductible Amount shown in the Declarations to the amount of loss sustained under the prior cancelled insurance.
- (3) The insurance provided under this Condition is subject to the following:
 - (a) If loss covered under this Condition is also partially covered under Condition E.1.o., the amount recoverable under this Condition is part of, not in addition to, the amount recoverable under Condition E.1.o.
 - (b) For loss covered under this Condition that is not subject to Paragraph (3)(a), the amount recoverable under this Condition is part of, not in addition to, the Limit of Insurance applicable to the loss covered under this policy and is limited to the lesser of the amount recoverable under:
 - (i) This policy as of its effective date; or
 - (ii) The prior cancelled insurance had it remained in effect.

q. Other Insurance

If other valid and collectible insurance is available to you for loss covered under this policy, our obligations are limited as follows:

(1) Primary Insurance

When this policy is written as primary insurance, and:

- (a) You have other insurance subject to the same terms and conditions as this policy, we will pay our share of the covered loss. Our share is the proportion that the applicable Limit of Insurance shown in the Declarations bears to the total limit of all insurance covering the same loss.
- (b) You have other insurance covering the same loss other than that described in Paragraph (1)(a), we will only pay for the amount of loss that exceeds:
 - (i) The Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not; or
 - (ii) The Deductible Amount shown in the Declarations;

whichever is greater. Our payment for loss is subject to the terms and conditions of this policy.

(2) Excess Insurance

- (a) When this policy is written excess over other insurance, we will only pay for the amount of loss that exceeds the Limit of Insurance and Deductible Amount of that other insurance, whether you can collect on it or not. Our payment for loss is subject to the terms and conditions of this policy.
- (b) However, if loss covered under this policy is subject to a Deductible, we will reduce the Deductible Amount shown in the Declarations by the sum total of all such other insurance plus any Deductible Amount applicable to that other insurance.

r. Ownership Of Property; Interests Covered

The property covered under this policy is limited to property:

- (1) That you own or lease; or
- (2) That you hold for others whether or not you are legally liable for the loss of such property.

However, this policy is for your benefit only. It provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this policy must be presented by you.

s. 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.

t. Records

You must keep records of all property covered under this policy so we can verify the amount of any loss.

u. Recoveries

- (1) Any recoveries, whether effected before or after any payment under this policy, whether made by us or you, shall be applied net of the expense of such recovery:
 - (a) First, to you in satisfaction of your covered loss in excess of the amount paid under this policy;
 - (b) Second, to us in satisfaction of amounts paid in settlement of your claim;
 - (c) Third, to you in satisfaction of any Deductible Amount; and
 - (d) Fourth, to you in satisfaction of any loss not covered under this policy.
- (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.

v. Territory

This policy covers loss that you sustain resulting directly from an "occurrence" taking place within the United States of America (including its territories and possessions), Puerto Rico and Canada.

w. Transfer Of Your Rights And Duties Under This Policy

- (1) 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.



- (2) 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 temporary custody of your property will have your rights and duties but only with respect to that property.

x. Transfer Of Your Rights Of Recovery Against Others To Us

You must transfer to us all your rights of recovery against any person or organization for any loss you sustained and for which we have paid or settled. You must also do everything necessary to secure those rights and do nothing after loss to impair them.

y. Valuation – Settlement

- (1) The value of any loss for purposes of coverage under this policy shall be determined as follows:
- (a) Loss of "money" but only up to and including its face value. We will, at your option, pay for loss of "money" issued by any country other than the United States of America:
- (i) At face value in the "money" issued by that country; or
- (ii) In the United States of America dollar equivalent determined by the rate of exchange published in *The Wall Street Journal* on the day the loss was "discovered".
- (b) Loss of "securities" but only up to and including their value at the close of business on the day the loss was "discovered". We may, at our option:
- (i) Pay the market value of such "securities" or replace them in kind, in which event you must assign to us all your rights, title and interest in and to those "securities"; or
- (ii) Pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the "securities". However, we will be liable only for the payment of so much of the cost of the bond as would be charged for a bond having a penalty not exceeding the lesser of the:
- i. Market value of the "securities" at the close of business on the day the loss was "discovered"; or
- ii. The Limit of Insurance applicable to the "securities".
- (c) Loss of or damage to "other property" or loss from damage to the "premises" or its exterior for the replacement cost of the property without deduction for depreciation. However, we will not pay more than the least of the following:
- (i) The cost to replace the lost or damaged property with property of comparable material and quality and used for the same purpose;
- (ii) The amount you actually spend that is necessary to repair or replace the lost or damaged property; or
- (iii) The Limit of Insurance applicable to the lost or damaged property.
- With regard to Paragraphs **y.(1)(c)(i)** through **y.(1)(c)(iii)**, we will not pay on a replacement cost basis for any loss or damage:
- i. Until the lost or damaged property is actually repaired or replaced; and
- ii. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.
- If the lost or damaged property is not repaired or replaced, we will pay on an actual cash value basis.
- (2) We will, at your option, settle loss or damage to property other than "money":
- (a) In the "money" of the country in which the loss or damage occurred; or
- (b) In the United States of America dollar equivalent of the "money" of the country in which the loss or damage occurred determined by the rate of exchange published in *The Wall Street Journal* on the day the loss was "discovered".
- (3) Any property that we pay for or replace becomes our property.

2. Conditions Applicable To Insuring Agreement A.1.

a. Termination As To Any Employee

This Insuring Agreement terminates as to any "employee":

(1) As soon as:

- (a) You; or
- (b) Any of your partners, "members", "managers", officers, directors, or trustees not in collusion with the "employee";

learn of "theft" or any other dishonest act committed by the "employee" whether before or after becoming employed by you.

(2) On the date specified in a notice mailed to the first Named Insured. That date will be at least 30 days after the date of mailing.

We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.

b. Territory

We will pay for loss caused by any "employee" while temporarily outside the territory specified in the Territory Condition E.1.v. for a period of not more than 90 consecutive days.

3. Conditions Applicable To Insuring Agreement A.2.

a. Deductible Amount

The Deductible Amount does not apply to legal expenses paid under Insuring Agreement A.2.

b. Electronic And Mechanical Signatures

We will treat signatures that are produced or reproduced electronically, mechanically or by other means the same as handwritten signatures.

c. Proof Of Loss

You must include with your proof of loss any instrument involved in that loss, or, if that is not possible, an affidavit setting forth the amount and cause of loss.

d. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition E.1.v. does not apply to Insuring Agreement A.2.

4. Conditions Applicable To Insuring Agreements A.4. And A.5.

a. Armored Motor Vehicle Companies

Under Insuring Agreement A.5., we will only pay for the amount of loss you cannot recover:

- (1) Under your contract with the armored motor vehicle company; and
- (2) From any insurance or indemnity carried by, or for the benefit of customers of, the armored motor vehicle company.

b. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to:

- (1) Precious metals, precious or semi-precious stones, pearls, furs, or completed or partially completed articles made of or containing such materials that constitute the principal value of such articles; or
- (2) Manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

5. Conditions Applicable To Insuring Agreement A.6.

a. Special Limit Of Insurance For Specified Property

We will only pay up to \$5,000 for any one "occurrence" of loss of or damage to manuscripts, drawings, or records of any kind, or the cost of reconstructing them or reproducing any information contained in them.

b. Territory

We will cover loss that you sustain resulting directly from an "occurrence" taking place anywhere in the world. Territory Condition E.1.v. does not apply to Insuring Agreement A.6.

F. Definitions

1. "Banking premises" means the interior of that portion of any building occupied by a banking institution or similar safe depository.
2. "Counterfeit money" means an imitation of "money" that is intended to deceive and to be taken as genuine.
3. "Custodian" means you, or any of your partners or "members", or any "employee" while having care and custody of property inside the "premises", excluding any person while acting as a "watchperson" or janitor.



4. "Discover" or "discovered" means the time when you first become aware of facts which would cause a reasonable person to assume that a loss of a type covered by this policy has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact amount or details of loss may not then be known.

"Discover" or "discovered" also means the time when you first receive notice of an actual or potential claim in which it is alleged that you are liable to a third party under circumstances which, if true, would constitute a loss under this policy.

5. "Employee":

a. "Employee" means:

(1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service, unless such termination is due to "theft" or any other dishonest act committed by the "employee";

(b) Who you compensate directly by salary, wages or commissions; and

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

(2) Any natural person who is furnished temporarily to you:

(a) To substitute for a permanent "employee" as defined in Paragraph a.(1), who is on leave; or

(b) To meet seasonal or short-term workload conditions;

while that person is subject to your direction and control and performing services for you, excluding, however, any such person while having care and custody of property outside the "premises";

(3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph a.(2);

(4) Any natural person who is:

(a) A trustee, officer, employee, administrator or manager, except an administrator or manager who is an independent contractor, of any "employee benefit plan"; and

(b) A director or trustee of yours while that person is engaged in handling "funds" or "other property" of any "employee benefit plan";

(5) Any natural person who is a former "employee", partner, "member", "manager", director or trustee retained as a consultant while performing services for you;

(6) Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside the "premises";

(7) Any "employee" of an entity merged or consolidated with you prior to the effective date of this policy; or

(8) Any of your "managers", directors or trustees while:

(a) Performing acts within the scope of the usual duties of an "employee"; or

(b) Acting as a member of any committee duly elected or appointed by resolution of your board of directors or board of trustees to perform specific, as distinguished from general, directorial acts on your behalf.

b. "Employee" does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in Paragraph 5.a.

6. "Employee benefit plan" means any welfare or pension benefit plan shown in the Declarations that you sponsor and which is subject to the Employee Retirement Income Security Act of 1974 (ERISA) and any amendments thereto.

7. "Forgery" means the signing of the name of another person or organization with intent to deceive; it does not mean a signature which consists in whole or in part of one's own name signed with or without authority, in any capacity, for any purpose.

8. "Fraudulent instruction" means:
- a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by someone else without your knowledge or consent;
 - b. A written instruction (other than those described in Insuring Agreement A.2.) issued by you, which was forged or altered by someone other than you without your knowledge or consent, or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
 - c. An electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by you which purports to have been transmitted by an "employee" but which was in fact fraudulently transmitted by someone else without your or the "employee's" knowledge or consent.
9. "Funds" means "money" and "securities".
10. "Manager" means a person serving in a directorial capacity for a limited liability company.
11. "Member" means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
12. "Messenger" means you, or a relative of yours, or any of your partners or "members", or any "employee" while having care and custody of property outside the "premises".
13. "Money" means:
- a. Currency, coins and bank notes in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
14. "Occurrence" means:
- a. Under Insuring Agreement A.1.:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by an "employee" acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, except as provided under Condition E.1.o. or E.1.p.
 - b. Under Insuring Agreement A.2.:
 - (1) An individual act;
 - (2) The combined total of all separate acts whether or not related; or
 - (3) A series of acts whether or not related; committed by a person acting alone or in collusion with other persons, involving one or more instruments, during the Policy Period shown in the Declarations, except as provided under Condition E.1.o. or E.1.p.
 - c. Under All Other Insuring Agreements:
 - (1) An individual act or event;
 - (2) The combined total of all separate acts or events whether or not related; or
 - (3) A series of acts or events whether or not related; committed by a person acting alone or in collusion with other persons, or not committed by any person, during the Policy Period shown in the Declarations, except as provided under Condition E.1.o. or E.1.p.
15. "Other property" means any tangible property other than "money" and "securities" that has intrinsic value. "Other property" does not include computer programs, electronic data or any property specifically excluded under this policy.
16. "Premises" means the interior of that portion of any building you occupy in conducting your business.
17. "Robbery" means the unlawful taking of property from the care and custody of a person by one who has:
- a. Caused or threatened to cause that person bodily harm; or
 - b. Committed an obviously unlawful act witnessed by that person.
18. "Safe burglary" means the unlawful taking of:
- a. Property from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or
 - b. A safe or vault from inside the "premises".
19. "Securities" means negotiable and nonnegotiable instruments or contracts representing either "money" or property and includes:
- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and



- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
but does not include "money".
20. "Theft" means the unlawful taking of property to the deprivation of the Insured.
21. "Transfer account" means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "funds":
- a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
- b. By means of written instructions (other than those described in Insuring Agreement A.2.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
22. "Watchperson" means any person you retain specifically to have care and custody of property inside the "premises" and who has no other duties.

COMMERCIAL CRIME
CR 01 55 05 02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME COVERAGE FORM
GOVERNMENT CRIME POLICY

The following is added to the Section **E. Conditions:**

ESTIMATION OF CLAIMS

Upon request, we will furnish you, or your representative, with a written estimate of damages to real property, specifying all deductions, provided such an estimate has been prepared by us or has been prepared on our behalf for our own purposes. This estimate will be provided within thirty days after your request or its preparation, whichever is later.



**CRIME AND FIDELITY
CR 02 34 01 14**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NEW YORK CHANGES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME POLICY
GOVERNMENT EMPLOYEE THEFT AND FORGERY POLICY
KIDNAP/RANSOM AND EXTORTION POLICY

A. The Cancellation Of Policy Condition is replaced by the following:

Cancellation Of Policy

(1) The first Named Insured shown in the Declarations may cancel this entire policy by mailing or delivering to us advance written notice of cancellation.

(2) Cancellation Of Policies In Effect

(a) 60 Days Or Less

We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

(i) 30 days before the effective date of cancellation if we cancel for any reason not included in Paragraph A.(2)(b).

(ii) 15 days before the effective date of cancellation if we cancel for any of the reasons included in Paragraph A.(2)(b) below.

(b) More Than 60 Days

If this policy has been in effect for more than 60 days, or if this policy is a renewal or continuation of a policy we issued, we may cancel only for any of the reasons listed below, provided we mail the first Named Insured written notice at least 15 days before the effective date of cancellation:

(i) Nonpayment of premium, provided however, that a notice of cancellation on this ground shall inform the first Named Insured of the amount due;

(ii) Conviction of a crime arising out of acts increasing the hazard insured against;

(iii) Discovery of fraud or material misrepresentation in the obtaining of the policy or in the presentation of a claim;

(iv) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and which occurred subsequent to inception of the current policy period;

(v) Material physical change in the property insured, occurring after issuance or last annual renewal anniversary date of the policy, which results in the property becoming uninsurable in accordance with our objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;

(vi) Required pursuant to a determination by the Superintendent that continuation of our present premium volume would jeopardize our solvency or be hazardous to the interest of our policyholders, our creditors or the public;

- (vii) A determination by the Superintendent that the continuation of the policy would violate, or would place us in violation of, any provision of the Insurance Code; or
 - (viii) Where we have reason to believe, in good faith and with sufficient cause, that there is a probable risk of danger that the insured will destroy, or permit to be destroyed, the insured property for the purpose of collecting the insurance proceeds. If we cancel for this reason, you may make a written request to the Department of Financial Services, within 10 days of receipt of this notice, to review our cancellation decision. Also, we will simultaneously send a copy of this cancellation notice to the Department of Financial Services.
- (3) We will mail or deliver our notice, including the reason for cancellation, to the first Named Insured at the address shown in the policy and to the authorized agent or broker.
 - (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.

However, when the premium is advanced under a premium finance agreement, the cancellation refund will be pro rata. Under such financed policies, we will be entitled to retain a minimum earned premium of 10% of the total policy premium or \$60, whichever is greater. 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.

- (7) If one of the reasons for cancellation in Paragraph A.(2)(b) exists, we may cancel this entire policy, even if the reason for cancellation pertains only to a new coverage or endorsement initially effective subsequent to the original issuance of this policy.

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

1. Nonrenewal

If we decide not to renew this policy, we will send notice as provided in Paragraph B.3.

2. Conditional Renewal

If we conditionally renew this policy subject to:

- a. A change of limits;
- b. A change in type of coverage;
- c. A reduction of coverage;
- d. An increased deductible;
- e. An addition of exclusion; or
- f. Increased premiums in excess of 10%, exclusive of any premium increase due to and commensurate with insured value added or increased exposure units; or as a result of experience rating, loss rating, retrospective rating or audit;

we will send notice as provided in Paragraph B.3.

3. Notices Of Nonrenewal And Conditional Renewal

- a. If we decide not to renew this policy or to conditionally renew this policy as provided in Paragraphs B.1. and B.2. above, we will mail or deliver written notice to the first Named Insured shown in the Declarations at least 60 but not more than 120 days before:

- (1) The expiration date; or
- (2) The anniversary date if this is a continuous policy.

- b. Notice will be mailed or delivered to the first Named Insured at the address shown in the policy and to the authorized agent or broker. If notice is mailed, proof of mailing will be sufficient proof of notice.

- c. Notice will include the specific reason(s) for nonrenewal or conditional renewal, including the amount of any premium increase for conditional renewal and description of any other changes.



d. If we violate any of the provisions of Paragraph B.3.a., B.3.b. or B.3.c. by sending the first Named Insured an incomplete or late conditional renewal notice or a late nonrenewal notice:

- (1) And if notice is provided prior to the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy at the lower of the current rates or the prior period's rates until 60 days after such notice is mailed or delivered, unless the first Named Insured, during this 60-day period, has replaced the coverage or elects to cancel;
- (2) And if the notice is provided on or after the expiration date of this policy, coverage will remain in effect at the same terms and conditions of this policy for another policy period, at the lower of the current rates or the prior period's rates, unless the first Named Insured, during this additional policy period, has replaced the coverage or elects to cancel.

e. If you elect to renew on the basis of a late conditional renewal notice, the terms, conditions and rates set forth in such notice shall apply:

- (1) Upon expiration of the 60-day period, unless Subparagraph (2) below applies; or
- (2) Notwithstanding the provisions in Paragraphs d.(1) and d.(2), as of the renewal date of the policy if the conditional renewal notice was sent at least 30 days prior to the expiration or anniversary date of the policy.

f. We will not send you notice of nonrenewal or conditional renewal if you, your authorized agent or broker or another insurer of yours mails or delivers notice that the policy has been replaced or is no longer desired.

C. Calculation Of Premium

1. For policies with fixed terms in excess of one year, or policies with no stated expiration date, except as provided in Paragraph 2., the following applies:

The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. On each renewal or continuation of this policy, we will compute the premium in accordance with our rates and rules then in effect.

2. For policies with fixed terms in excess of one year, where premium is computed and paid annually, the following applies:

a. The premium shown in the Declarations was computed based on rates and rules in effect at the time the policy was issued. Such rates and rules will be used to calculate the premium at each anniversary, for the entire term of the policy, unless the specific reasons described in Paragraph b. or c. apply.

b. The premium will be computed based on the rates and rules in effect on the anniversary date of the policy only when, subsequent to the inception of the current policy period, one or more of the following occurs:

- (1) After issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition, that substantially and materially increases the hazard insured against, and that occurred subsequent to inception of the current policy period;
- (2) A material physical change in the property insured, occurring after issuance or last anniversary renewal date of the policy, causes the property to become uninsurable in accordance with underwriting standards in effect at the time the policy was issued or last renewed; or

- (3) A material change in the nature or extent of the risk, occurring after issuance or last anniversary renewal date of the policy, which causes the risk of "loss" to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed.
- c. If, subsequent to the inception of the current policy period, the Limit of Insurance is increased, or additional coverages or causes of loss are insured, the rate and rules in effect at the time of the change will be applied to calculate the premium and will continue to apply to the change at subsequent anniversary dates.
- D. The following provision applies when a policy is written on an annual aggregate limit of insurance basis:
- The annual aggregate limit of this policy will be increased in proportion to any policy extension provided in accordance with Paragraph B.3., provided, however, that if the first Named Insured elects to accept the terms and conditions and rates of the conditional renewal notice, a new annual aggregate limitation shall become effective as of the inception date of the renewal, subject to regulations promulgated by the Superintendent of Financial Services.



**CRIME AND FIDELITY
CR 04 01 05 06**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CLIENTS' PROPERTY

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME COVERAGE FORM
COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY

PROVISIONS

With regard to this Clients' Property Endorsement, the provisions of the coverage form or policy to which this endorsement is attached apply, unless modified by this endorsement.

A. The following insuring agreement is added to Section A. Insuring Agreements:

We will pay for loss of or damage to "money", "securities" and "other property" sustained by your "client" resulting directly from "theft" committed by an identified "employee", acting alone or in collusion with other persons.

B. Under Section D. Exclusions in the Commercial Crime Coverage Form and Commercial Crime Policy, the Acts of Employees, Managers, Directors, Trustees or Representatives Exclusion does not apply to this Insuring Agreement.

C. Under Section E. Conditions:

1. Paragraph (1) of the Duties in the Event of Loss Condition is replaced by the following:

Notify us as soon as possible.

2. The Ownership of Property; Interests Covered Condition is replaced by the following:

The property covered under this Insuring Agreement is limited to property:

- a. That your "client" owns or leases; or

- b. That your "client" holds for others whether or not your "client" is legally liable for the loss of such property.

However, this insurance is for your benefit only. It provides no rights or benefits to any other person or organization, including your "client". Any claim for loss that is covered under this Insuring Agreement must be presented by you.

D. Under Section F. Definitions:

1. The following definitions are added:

- a. "Client" means any entity for whom you perform services under a written contract.

- b. "Occurrence" means:

- (1) An individual act;
(2) The combined total of all separate acts whether or not related; or
(3) A series of acts whether or not related; committed by an "employee", acting alone or in collusion with other persons, during the Policy Period shown in the Declarations, before such Policy Period or both.

2. The definition of "theft" is replaced by the following:

"Theft" means the unlawful taking of property to the deprivation of your "client".

**COMMERCIAL CRIME
CR 20 20 07 02**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CALCULATION OF PREMIUM

This endorsement modifies insurance provided under the following:

**COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME POLICY
KIDNAP/RANSOM AND EXTORTION COVERAGE FORM
KIDNAP/RANSOM AND EXTORTION POLICY**

The following is added:

The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation, or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.



**COMMERCIAL CRIME
CR 20 21 03 00**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES

This endorsement modifies insurance provided under the following:

COMMERCIAL CRIME POLICY
EMPLOYEE THEFT AND FORGERY POLICY
GOVERNMENT CRIME POLICY

- A. We will not pay for loss or damage resulting directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.**
- 1. The failure, malfunction or inadequacy of:**
 - a. Any of the following, whether belonging to any insured or to others:**
 - (1) Computer hardware, including micro-processors;**
 - (2) Computer application software;**
 - (3) Computer operating systems and related software;**
 - (4) Computer networks;**
 - (5) Microprocessors (computer chips) not part of any computer system; or**
 - (6) Any other computerized or electronic equipment or components; or**
 - b. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in Paragraph A.1.a. of this endorsement;**

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
 - 2. Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph A.1. of this endorsement.**
- B. If an excluded cause of loss as described in Paragraph A. of this endorsement results in a covered cause of loss under this insurance, we will pay only for the loss or damage.**
- C. We will not pay for repair, replacement or modification of any items in Paragraphs A.1.a. and A.1.b. of this endorsement to correct any deficiencies or change any features.**



Harleysville Worcester Insurance Company
 355 Maple Avenue
 Harleysville, PA 19438-2297
 www.harleysvillegroup.com

Insured: New York State Bridge Authority
Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CIM00000014862R
Policy Period: 08/01/2014 to 08/01/2015
RENEWAL CERTIFICATE

COMMERCIAL LINES COMMON POLICY DECLARATIONS

Named Insured and Mailing Address:

New York State Bridge Authority
 PO Box 1010
 Highland, NY 12528-8010

Agent:

ASSOCIATES OF GLENS FALLS INC
 P O BOX 190
 GLENS FALLS, NY 12801

Agency Code: 815710
Phone Number: (518)793-3444

Policy Period: 08/01/2014 to 08/01/2015

at 12:01 A.M. Standard Time at your mailing address shown above.

Business Description:

Bridge Authority

Form of Business:

GOVERNMENT AGENCY

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. IF YOU REQUEST CANCELLATION OF THIS POLICY, THE COMPANY WILL RETAIN A MINIMUM PREMIUM OF \$ 250

THIS POLICY CONSISTS OF THE FOLLOWING COVERAGE PARTS FOR WHICH A PREMIUM IS INDICATED. THIS PREMIUM MAY BE SUBJECT TO ADJUSTMENT.

Coverage Part	Premium
Commercial Property Coverage Part	
Commercial General Liability Coverage Part	
Crime and Fidelity Policy Coverage Part	
Commercial Inland Marine Coverage Part	\$ 2,770.00
Commercial Auto Coverage Part	
Commercial Liability Umbrella Policy	
Sub-Total	\$ 2,770.00
Fees and Surcharge - See Schedule GU-7015 (If Applicable)	
Total	\$ 2,770.00

FORM (S) AND ENDORSEMENT (S) MADE A PART OF THIS POLICY:
 SEE SCHEDULES **GU-7004** and **GU-7009**

GU-7000 (Ed. 4-09)





Harleysville Worcester Insurance Company
355 Maple Avenue
Harleysville, PA 19438-2297
www.harleysvillegroup.com

Insured: New York State Bridge Authority
Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CIM0000014862R
Policy Period: 08/01/2014 to 08/01/2015
CORRECTED RENEWAL

FORM SCHEDULE

* INDICATES A NEW OR REPLACEMENT FORM. RETAIN THESE AND LISTED FORMS NOT REPLACED

Form	Edition	Description
		POLICY FORMS
PJ0003	0514	Policy Jacket- HWC
GU7001	0409	Policy Change Document
GU7005	0409	Location Schedule
		INLAND MARINE - AAIS FORMS
CIM7100	0310	Commercial Inland Marine Coverage Part Declarations
CIM7109	0610	Minimum Earned Premium
CL0100	0399	Common Policy Conditions
CL0140	0205	Amendatory Endorsement - New York
CL0600	0108	Certified Terrorism Loss
CL0605	0108	Cert Terror Loss Discl of Prem & Fed Share Of Ins Loss
CL0700	0207	Virus Or Bacteria Exclusion
IM2065	0404	Amendatory Endorsement - New York
IM7000	0404	Contractors' Equipment Coverage
IM7005	0404	Schedule of Coverages - Contractors' Equipment
IM7020	0404	Replacement Cost Endorsement
IM7030	0404	Equipment Schedule Contractors' Equipment
* MANU1	0704	Manuscript Endorsement





Harleysville Worcester Insurance Company
355 Maple Avenue
Harleysville, PA 19438-2297
www.harleysvillegroup.com

Insured: New York State Bridge Authority
Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CIM00000014862R
Policy Period: 08/01/2014 to 08/01/2015
CORRECTED RENEWAL

POLICYHOLDER NOTICE SCHEDULE

The following material contains important information about your policy. Please read it carefully.

* INDICATES A NEW OR REPLACEMENT FORM. RETAIN THESE AND LISTED FORMS NOT REPLACED

Form	Edition	Description
		POLICY FORMS
GU1197	0706	Harleysville Insurance Privacy Pledge
ST7757	0310	Virus or Bacteria Excl Important Notice to Policyholders

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Harleysville Worcester Insurance Company
 355 Maple Avenue
 Harleysville, PA 19438-2297
 www.harleysvillegroup.com

Insured: New York State Bridge Authority
 Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CIM00000014862R
 Policy Period: 08/01/2014 to 08/01/2015
 CORRECTED RENEWAL

POLICY CHANGES

Change Effective: 08/01/2014

Change #:

Description

The Catastrophe Limit on CIM7128 is amended.

Original Annual Premium	\$ 2,770.00	New Annual Premium	\$ 2,770.00	Total Additional/ Return Premium	\$
					NO CHANGE





Harleysville Worcester Insurance Company
355 Maple Avenue
Harleysville, PA 19438-2297
www.harleysvillegroup.com

Insured: New York State Bridge Authority
Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CIM00000014862R
Policy Period: 08/01/2014 to 08/01/2015
RENEWAL CERTIFICATE

LOCATION SCHEDULE

Prem. No.	Bldg. No.	Address
001	ALL	Rip Van Winkle Bridge Catskill, NY 12414
002	ALL	Kingston-Rhinecliff Bridge Kingston, NY 12401
003	ALL	Mid-Hudson Bridge Highland, NY 12528
004	ALL	Newburgh-Beacon Bridge Beacon, NY 12508
005	ALL	Bear Mountain Bridge Fort Montgomery, NY 10922

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Harleysville Worcester Insurance Company
 355 Maple Avenue
 Harleysville, PA 19438-2297
 www.harleysvillegroup.com

StarAdvantage® Series

Insured: New York State Bridge Authority
Agent: ASSOCIATES OF GLENS FALLS INC

Policy Number: CIM00000014862R
Policy Period: 08/01/2014 to 08/01/2015
RENEWAL CERTIFICATE

CIM-7100 (Ed. 3-10)

COMMERCIAL INLAND MARINE COVERAGE PART DECLARATIONS

COVERAGE SCHEDULES FORMING A PART OF THIS COVERAGE PART (Refer to Individual Coverage Schedules for Limits of Insurance)	
Coverage Schedules	Coverage Schedule Premium
Schedule of Coverages - Contractors' Equipment	\$ 2,770
Forms and Endorsements Applicable To This Coverage Part: SEE SCHEDULE GU-7004	
Premium For This Coverage Part	\$ 2,770

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COMMON POLICY CONDITIONS

1. **Assignment** – This policy may not be assigned without "our" written consent.
2. **Cancellation** – "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel this policy, or one or more of its parts, by written notice sent to "you" at "your" last mailing address known to "us". If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

If "we" cancel this policy for nonpayment of premium, "we" will give "you" notice at least ten days before the cancellation is effective. If "we" cancel this policy for any other reason, "we" will give "you" notice at least 30 days in advance of cancellation. The notice will state the time that the cancellation is to take effect.

"Your" return premium, if any, will be calculated according to "our" rules. It will be refunded to "you" with the cancellation notice or within a reasonable time. Payment or tender of the unearned premium is not a condition of cancellation.

3. **Change, Modification, or Waiver of Policy Terms** – A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid.
4. **Inspections** – "We" have the right, but are not obligated, to inspect "your" property and operations at any time. This inspection may be made by "us" or may be made on "our" behalf. An inspection or its resulting advice or report does not warrant that "your" property or operations are safe, healthful, or in compliance with laws, rules, or regulations. Inspections or reports are for "our" benefit only.
5. **Examination of Books and Records** – "We" may examine and audit "your" books and records that relate to this policy during the policy period and within three years after the policy has expired.

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**AMENDATORY ENDORSEMENT
 NEW YORK**

1. Under Common Policy Conditions, Cancellation is deleted and replaced by the following:

Cancellation, Nonrenewal, and Conditional Renewal -

- a. "You" may cancel this policy by returning the policy to "us" or by giving "us" written notice and stating at what future date coverage is to stop.

"We" may cancel this policy by written notice to "you" at the address shown on the policy and to "your" authorized agent or broker. "Our" notice will specify the grounds for cancellation. Proof of delivery or mailing is sufficient proof of notice. If "we" cancel this policy for nonpayment of premium, "our" notice will include the amount of premium due.

If this policy has been in effect for 60 days or less, "we" may cancel for any reason.

If this policy has been in effect for more than 60 days, or if it is a renewal of a policy issued by "us", "we" may cancel only for one or more of the following reasons:

- 1) the premium has not been paid when due;
- 2) "your" conviction of a crime arising out of acts increasing the hazard insured against;
- 3) discovery of fraud or material misrepresentation in obtaining the policy or in the presentation of a claim thereunder;
- 4) after issuance of the policy or after the last renewal date, discovery of an act or omission, or a violation of any policy condition that substantially and materially increases the hazard insured against and which occurred subsequent to inception of the current policy period;

- 5) material physical changes in the property insured, occurring after issuance or last annual renewal anniversary date of the policy, which result in the property becoming uninsurable in accordance with "our" objective, uniformly applied underwriting standards in effect at the time the policy was issued or last renewed; or material change in the nature or extent of the risk, occurring after issuance or last annual renewal anniversary date of the policy, which causes the risk of loss to be substantially and materially increased beyond that contemplated at the time the policy was issued or last renewed;

- 6) a determination by the Superintendent of Insurance that continuation of "our" present premium volume would jeopardize "our" solvency or be hazardous to the interests of "our" policyholders, creditors, or the public;

- 7) a determination by the Superintendent that a continuation of the policy would violate, or would place "us" in violation of, any provision of New York Insurance Laws; or

- 8) where "we" have reason to believe, in good faith and with sufficient cause, that there is a probable risk or danger that "you" will destroy, or permit to be destroyed, "your" property for the purpose of collecting the insurance proceeds.

If "we" cancel this policy for any of the reasons listed in a.1) through 8), "we" will mail or deliver written notice at least 15 days before cancellation is effective.

If "we" cancel this policy for any other reason during the first 60 days this policy is in effect, "we" will mail or deliver written notice at least 20 days before cancellation is effective.

If "we" cancel this policy for reason 8) above, "we" will advise "you" that "you" must act within ten days if "you" desire a review by the Insurance Department. "We" will also simultaneously notify the Insurance Department of "our" cancellation of "your" policy.

- b. "We" may not renew or not renew with the same "terms", conditions, or rates, this policy by written notice to "you" at the address shown in the policy and to "your" authorized agent or broker. Proof of delivery or mailing is sufficient proof of notice. These nonrenewal or conditional renewal requirements will not apply when "you", an agent or broker authorized by "you", or another insurer of "yours" has mailed or delivered written notice to "us" that the policy has been replaced or is no longer desired.

If "we" do not renew this policy, "we" will mail or deliver written notice at least 60 days, but not more than 120 days, before the end of the policy period or the anniversary date. "Our" notice will specify the grounds for nonrenewal.

If "we" decide not to renew this policy with the same "terms", conditions, or rates, "we" will mail or deliver written notice of conditional renewal at least 60 days, but not more than 120 days, before the end of the policy period or anniversary date. "Our" notice will state the reasons for conditional renewal and set forth the amount of any premium increase and the nature of any other proposed changes. This provision applies to renewal conditioned upon change of "limits", change in type of coverage, reduction of coverage, increased deductible, addition of exclusion, or upon increased premiums in excess of 10% (exclusive of any premium increase generated as a result of increased exposure units or as a result of experience rating or loss rating).

If "we" notify "you" of "our" intent not to renew or not to renew with the same "terms", conditions, and rates:

- 1) at least 30 days but less than 60 days prior to the expiration date of the policy, coverage will continue on the same "terms" and conditions as the expiring policy and at the lower of the current rates or the prior policy period rates, until 60 days after the notice is mailed or delivered to "you". If "we" offer to renew with different "terms", conditions, or rates and "you" elect to renew the coverage, the "terms", conditions, and rates set forth in the conditional notice apply as of the renewal date;
- 2) less than 30 days prior to the expiration date of the policy, coverage will continue on the same "terms" and conditions as the expiring policy, and at the lower of the current rates or the prior policy period rates, until 60 days after the notice is mailed or delivered to "you". If "we" offer to renew with different "terms", conditions, or rates and "you" elect to renew the coverage, the "terms", conditions, and rates set forth in the conditional notice apply after the expiration of the 60 day period; or
- 3) on or after the expiration date of the policy; coverage will continue on the same "terms" and conditions as the expiring policy for another required policy period, and at the lower of the current rates or the prior policy period rates.

Required policy period means a period of one year from the date as of which a covered policy is renewed or first issued.



c. As an alternative, "we" may notify "you", in writing, at the address shown in the policy and "your" authorized agent or broker of "our" intent not to renew or not to renew with the same "terms", conditions, and rates by giving written notice at least 60 days, but not more than 120 days, before the expiration date of the policy. In that case, coverage will continue on the same "terms", conditions, and rates until either:

- 1) the expiration date; or
- 2) 60 days after "we" give a second notice which indicates "our" decision to either not renew this policy or that this policy will be continued with changes in policy "terms", conditions, and rates;

whichever is later.

"Our" second notice will state either the reasons for nonrenewal or the reasons for conditional renewal and set forth the amount of any premium increase and the nature of any other proposed changes.

- d. This item applies to the Commercial Liability Coverage only, if applicable. If the policy period is extended, the aggregate "limits" of this policy will be increased in proportion to any policy period extension, and the last sentence under How Much We Pay will be deleted.
 - e. "Your" return premium, if any, will be refunded at the time of cancellation or as soon as practical. Payment or tender of the unearned premium is not a condition of cancellation.
2. Under Common Policy Conditions, Change, Modification, or Waiver of Policy Terms is deleted and replaced by the following:

Change, Modification, or Waiver of Policy Terms – A waiver or change of the "terms" of this policy must be issued by "us" in writing to be valid. If "we" adopt a revision which broadens coverage under this edition of "our" policy without an additional premium during the policy period, or within six months before this coverage is effective, the broadened coverage will apply. If a change in forms or endorsements reduces coverage or "limits", "we" must notify "you" as provided under the nonrenewal "terms" contained in this policy.

If this policy has no expiration date, "we" may substitute or "we" may add, at each anniversary date, forms that are then authorized for use.

3. Under Common Policy Conditions, Examination of Books and Records is deleted and replaced by the following:

Examination of Books and Records – "We" may examine and audit "your" books and records that relate to this policy during the policy period and within three years after the policy has expired.

- a. "We" will perform an audit to determine the final premium for policies if the initial premium is based on an estimate of "your" exposure base. This audit will be performed within 180 days after the expiration of the policy, unless the policy is continuous or for a period longer than one year, in which case the audit will be performed within 180 days of the anniversary date. This audit may not be waived except when the total annual premium attributable to the auditable exposure base is not reasonably expected to exceed \$1,500.
- b. "We" will, as soon as is practical after such audit, refund or credit "your" account for any return premium due "you", or bill and make a good faith effort to collect any additional premium due "us" as a result of the audit.

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- c. If "you" fail to cooperate with "us" in "our" attempt to conduct such audit, including failure to return any questionnaires or self-audit worksheets, "we" may nonrenew this policy upon completion of the current policy period, in accordance with the provisions of section 3426 of the Insurance Law, due to "our" inability to establish a proper premium for "you".

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CERTIFIED TERRORISM LOSS

1. The following definitions are added.
 - a. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:
 - 1) to be an act of terrorism;
 - 2) to be a violent act or an act that is dangerous to human life, property, or infrastructure;
 - 3) to have resulted in damage:
 - a) within the United States; or
 - b) to an air carrier (as defined in section 40102 of title 49, United States Code); to a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), regardless of where the loss occurs; or at the premises of any United States mission;
 - 4) 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; and
 - 5) to have resulted in insured losses in excess of five million dollars in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act, as amended.
 - b. "Certified terrorism loss" means loss that results from a "certified act of terrorism".
2. The "terms" of any terrorism exclusion that is part of or that is attached to this Coverage Part are amended by the following provision:

This exclusion does not apply to "certified terrorism loss".
3. The following provision is added.

If the Secretary of the Treasury determines that the aggregate amount of "certified terrorism loss" has exceeded one hundred billion dollars in a Program Year (January 1 through December 31), and "we" have met "our" insurer deductible under the Terrorism Risk Insurance Act, as amended, "we" will not pay for any portion of "certified terrorism loss" that exceeds one hundred billion dollars. If the "certified terrorism loss" exceeds one hundred billion dollars in a Program Year (January 1 through December 31), losses up to one hundred billion dollars are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury under the Terrorism Risk Insurance Act, as amended.
4. The following provisions are added.
 - a. Neither the "terms" of this endorsement nor the "terms" of any other terrorism endorsement attached to this Coverage Part provide coverage for any loss that would otherwise be excluded by this Coverage Part under:
 - 1) exclusions that address war, military action, or nuclear hazard; or
 - 2) any other exclusion; and
 - b. the absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded by this Coverage Part under:
 - 1) exclusions that address war, military action, or nuclear hazard; or
 - 2) any other exclusion.

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This endorsement changes
the policy
-- PLEASE READ THIS CAREFULLY --

CERTIFIED TERRORISM LOSS DISCLOSURE OF PREMIUM AND FEDERAL SHARE OF INSURED LOSSES

(The entries required to complete this endorsement will be shown below, on the "declarations", or on the "schedule of coverages".)

SCHEDULE

Certified Terrorism Loss Premium \$ 0

Additional information, if any, concerning terrorism premium:

1. The portion of "your" premium that is attributed to coverage for "certified terrorism loss" is shown in the Schedule above.
2. Coverage for "certified terrorism loss", to the extent that such coverage is provided by this policy or Coverage Part, will be partially reimbursed by the United States Government, Department of Treasury under a federal program. Under that program, the United States pays 85% of insured losses for "certified terrorism loss" that exceeds the statutorily established deductible that "we" retain. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act, as amended, exceed one hundred billion dollars in a Program Year (January 1 through December 31), the Treasury will not make payment for any portion of the amount of such losses that exceeds one hundred billion dollars.

If the Secretary of the Treasury determines that the aggregate amount of "certified terrorism loss" has exceeded one hundred billion dollars in a Program Year (January 1 through December 31), and "we" have met "our" insurer deductible under the Terrorism Risk Insurance Act, as amended, "we" will not pay for any portion of "certified terrorism loss" that exceeds one hundred billion dollars. If the "certified terrorism loss" exceeds one hundred billion dollars in a Program Year (January 1 through December 31), losses up to one hundred billion dollars are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury under the Terrorism Risk Insurance Act, as amended.

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This endorsement changes
 the policy
 -- PLEASE READ THIS CAREFULLY --

VIRUS OR BACTERIA EXCLUSION

DEFINITIONS

Definitions Amended --

When "fungus" is a defined "term", the definition of "fungus" is amended to delete reference to a bacterium.

When "fungus or related perils" is a defined "term", the definition of "fungus or related perils" is amended to delete reference to a bacterium.

PERILS EXCLUDED

The additional exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense, or interruption by civil authority.

The following exclusion is added under Perils Excluded, item 1.:

Virus or Bacteria --

"We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but is not limited to, any loss, cost, or expense as a result of:

- a. any contamination by any virus, bacterium, or other microorganism; or
- b. any denial of access to property because of any virus, bacterium, or other microorganism.

OTHER CONDITIONS

Other Terms Remain in Effect --

The "terms" of this endorsement, whether or not applicable to any loss, cost, or expense, cannot be construed to provide coverage for a loss, cost, or expense that would otherwise be excluded under the policy to which this endorsement is attached.

CL 0700 02 07

AMENDATORY ENDORSEMENT NEW YORK

1. Under Definitions, the definition of "pollutant" is deleted and replaced by the following:

"Pollutant" means:
 - a. any solid, liquid, gaseous, or thermal irritant or contaminant; or
 - b. waste including materials to be disposed of as well as recycled, reclaimed, or reconditioned.

2. Under Coverage Extensions, Defense Costs, if applicable, is amended to include the following:

The expenses "we" incur under Defense Costs will not reduce the applicable "limit" for coverage described under Property Covered.

3. Under Supplemental Coverages, Rewards, if applicable, is deleted.

4. In the Contractors Equipment Coverage, under Supplemental Coverages, Reward For Recovery Of Stolen Equipment, if applicable, is deleted.

5. Under Perils Excluded, the last paragraph of War and Military Action is deleted.

6. Under What Must Be Done In Case Of Loss, Notice is deleted and replaced by the following:

Notice -- In case of loss:
 - a. "you" or someone acting on "your" behalf must give "us" or any of "our" agents in the state prompt notice, including sufficient information to identify "you", the property insured, and the time and place of the loss or damage ("we" may request written notice); and
 - b. "you" must give notice to the police when the act that causes the loss is a crime.

7. If this policy is issued to cover real property, under Loss Payment, the following provision is added:

Estimate Of Damages To Real Property --
If, in the process of adjusting a claim, "we" have prepared an estimate of damages to real property or had such an estimate prepared for "our" own purposes, "you" may request a copy. If "you" request it, "we" will provide a copy of the estimate to "you", or to someone else "you" designate in writing, within 30 days after "your" request or within 30 days after the estimate is prepared, whichever is later.

8. Under Other Conditions, Misrepresentation, Concealment, Or Fraud is deleted and replaced by the following:

Misrepresentation, Concealment, Or Fraud -- This policy is void if, when applying for coverage and as an inducement to issue the policy, "you" or someone "you" authorize, misrepresented to "us" a past or present fact that is material to the risk.

"We" do not provide coverage for an insured who has, before or after a loss:
 - a. willfully concealed or misrepresented:
 - 1) a material fact or circumstance with respect to this insurance; or
 - 2) an "insured's" interest herein; or
 - b. engaged in fraudulent conduct or sworn falsely with respect to this insurance or the subject thereof.
No misrepresentation will be considered material unless "our" knowledge of the facts misrepresented would have led "us" to refuse to issue the policy.

IM 2065 04 04



CONTRACTORS' EQUIPMENT COVERAGE

AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Contractors' Equipment Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the declarations.
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Contractors' equipment" means machinery, equipment, and tools of a mobile nature that "you" use in "your" contracting, installation, erection, repair, or moving operations or projects.

"Contractors' equipment" also means:

- a. self-propelled vehicles designed and used primarily to carry mounted equipment; or

- b. vehicles designed for highway use that are unlicensed and not operated on public roads.

4. "Equipment schedule" means a schedule of "contractors' equipment" that is attached to this policy and that describes each piece of covered equipment.
5. "Jobsite" means any location, project, or work site where "you" are in the process of construction, installation, erection, repair, or moving.
6. "Limit" means the amount of coverage that applies.
7. "Pollutant" means:
 - a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
 - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
8. "Schedule of coverages" means:
 - a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
 - b. declarations or supplemental declarations which pertain to this coverage.
9. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation. It does not include the value of the land or the cost of filling sinkholes.

10. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.

Falling objects does not include loss to:

- a. personal property in the open; or
- b. the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

- 11. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.
- 12. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

2) "contractors' equipment" of others in "your" care, custody, or control.

b. **Coverage Limitation** -- "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- 1) that are described on the "equipment schedule"; and
- 2) when Scheduled Equipment is indicated on the "schedule of coverages".

2. Schedule On File --

a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:

- 1) "your" "contractors' equipment"; and
- 2) "contractors' equipment" of others in "your" care, custody, or control.

b. **Coverage Limitation** -- "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- 1) that are listed in a schedule which "you" must submit to "us" and "we" keep on file, the schedule must contain a description of each item to be covered and a "limit" for each item; and
- 2) when Schedule on File is indicated on the "schedule of coverages".

PROPERTY NOT COVERED

PROPERTY COVERED

"We" cover the following property unless the property is excluded or subject to limitations.

1. Scheduled Equipment --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:
 - 1) "your" "contractors' equipment"; and

- 1. **Aircraft Or Watercraft** -- "We" do not cover aircraft or watercraft.
- 2. **Contraband** -- "We" do not cover contraband or property in the course of illegal transportation or trade.
- 3. **Leased Or Rented Property** -- "We" do not cover property that "you" lease or rent to others.



4. **Loaned Property** -- "We" do not cover property that "you" loan to others.
5. **Underground Mining Operations** -- "We" do not cover property while stored or operated underground in connection with any mining operations.
6. **Vehicles** -- "We" do not cover automobiles, motor trucks, tractors, trailers, and similar conveyances designed for highway use and used for over the road transportation of people or cargo. However, this does not include:
 - a. self-propelled vehicles designed and used primarily to carry mounted equipment; or
 - b. vehicles designed for highway use that are unlicensed and not operated on public roads.
7. **Waterborne Property** -- "We" do not cover property while waterborne except while in transit in the custody of a carrier for hire.

COVERAGE EXTENSIONS

Provisions That Apply To Coverage Extensions -- The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following coverage extensions are not subject to and not considered in applying coinsurance conditions.

Debris Removal --

1. **Coverage** -- "We" pay the cost to remove the debris of covered property that is caused by a covered peril.
2. **We Do Not Cover** -- This coverage does not include costs to:
 - a. extract "pollutants" from land or water; or
 - b. remove, restore, or replace polluted land or water.
3. **Limit** -- "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
4. **Additional Limit** -- "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
5. **You Must Report Your Expenses** -- "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

SUPPLEMENTAL COVERAGES

Provisions That Apply To Supplemental Coverages -- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

If coinsurance provisions are part of this policy, the following supplemental coverages are not subject to and not considered in applying coinsurance conditions.

1. Employee Tools --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to tools owned by "your" employees.
- b. **Coverage Limitation** -- "We" only cover tools owned by "your" employees while at a:
 - 1) premises that "you" own or operate; or
 - 2) "jobsite".
- c. **Limit** -- The most "we" pay in any one occurrence for loss to employee tools is \$5,000.

2. Equipment Leased Or Rented From Others --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" have leased or rented from others.
- b. **Limit** -- The most "we" pay in any one occurrence for equipment leased or rented from others is \$25,000.

3. Newly Purchased Property --

- a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to additional "contractors' equipment" that "you" purchase during the policy period.
- b. **Limit** -- The most that "we" pay for any loss under this supplemental coverage is the least of the:
 - 1) actual cash value of the covered property; or
 - 2) "limit" for newly purchased property indicated on the "schedule of coverages". If no "limit" is indicated, then 30% of the Catastrophe Limit indicated on the "schedule of coverages" applies to this coverage.



- c. **Time Limitation** -- "We" extend coverage to the additional "contractors' equipment" that "you" purchase for up to 60 days.

This supplemental coverage will end when any of the following first occur:

- 1) this policy expires;
- 2) 60 days after "you" obtain the additional "contractors' equipment"; or
- 3) "you" report the additional "contractors' equipment" to "us".

- d. **Additional Premium** -- "You" must pay any additional premium due from the date "you" purchase the additional "contractors' equipment".

4. Pollutant Cleanup And Removal --

- a. **Coverage** -- "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** -- The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** -- "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".

However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.

- d. **Limit** -- The most "we" pay for each location is \$25,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

5. Rental Reimbursement --

- a. **Coverage** -- In the event of a direct physical loss by a covered peril to "your" "contractors' equipment", "we" reimburse "you" for "your" expense to rent similar equipment while "your" equipment is inoperable.

The deductible amount indicated on the "schedule of coverages" does not apply to a loss covered under this supplemental coverage.

- b. **Waiting Period** -- "We" will not reimburse "you" for the rental of equipment until after the first 72-hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss to "your" "contractors' equipment" caused by a covered peril.
- c. **Incurred Rental Expenses** -- After the waiting period has passed, "we" will only reimburse "you" for the rental expenses that "you" actually incur.
- d. **Coverage After Expiration Date** -- "We" will continue to reimburse "you" for the rental of equipment after the expiration date of this coverage, provided the loss occurred before the expiration date.
- e. **Coverage Limitations** -- "We" will not reimburse "you":
- 1) if "you" can continue or resume "your" operations with similar equipment that is available to "you" at no additional expense to "you"; or
 - 2) for the rental expense of any equipment unless "you" make every reasonable effort to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.
- f. **Limit** -- The most "we" reimburse "you" in any one occurrence for rental expenses is \$5,000.

6. Spare Parts And Fuel --

a. **Coverage** -- "We" cover direct physical loss caused by a covered peril to:

- 1) spare parts and accessories for "contractors' equipment"; and
- 2) fluids for vehicles and "contractors' equipment"; fluids include gasoline, oil, and hydraulic fluid.

b. **Limit** -- The most "we" pay in any one occurrence for loss to spare parts and accessories is \$5,000.

PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.

a. **Civil Authority** -- "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.

"We" do cover loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.

b. **Nuclear Hazard** -- "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.

c. **War And Military Action** -- "We" do not pay for loss caused by:

- 1) war, including undeclared war or civil war; or
- 2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
- 3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

a. **Contamination or Deterioration** -- "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in the covered property that causes it to damage or destroy itself.

But if contamination or deterioration results in a covered peril, "we" do cover the loss or damage caused by that covered peril.



- b. **Criminal, Fraudulent, Dishonest Or Illegal Acts** -- "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts committed alone or in collusion with another by:
- 1) "you";
 - 2) others who have an interest in the property;
 - 3) others to whom "you" entrust the property;
 - 4) "your" partners, officers, directors, trustees, joint venturers, or "your" members or managers if "you" are a limited liability company; or
 - 5) the employees or agents of 1), 2), 3), or 4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Loss Of Use** -- "We" do not pay for loss caused by or resulting from loss of use, delay, or loss of market.
- d. **Mechanical Breakdown** -- "We" do not pay for loss caused by any mechanical, structural, or electrical breakdown or malfunction including a breakdown or malfunction resulting from a structural, mechanical, or reconditioning process.
- But if a mechanical, structural, or electrical breakdown or malfunction results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- e. **Missing Property** -- "We" do not pay for missing property where the only proof of loss is unexplained or mysterious disappearance of covered property, or shortage of property discovered on taking inventory, or any other instance where there is no physical evidence to show what happened to the covered property.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- f. **Pollutants** -- "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants":
- 1) unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril"; or
 - 2) except as specifically provided under the Supplemental Coverages - Pollutant Cleanup and Removal.

"We" do cover any resulting loss caused by a "specified peril".

- g. **Temperature/Humidity** -- "We" do not pay for loss caused by dryness, dampness, humidity, or changes in or extremes of temperature.

But if dryness, dampness, humidity, or changes in or extremes of temperature results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- h. **Voluntary Parting** -- "We" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

- i. **Wear And Tear** -- "We" do not pay for loss caused by wear and tear, marring, or scratching.

But if wear and tear, marring, or scratching results in a covered peril, "we" do cover the loss or damage caused by that covered peril.

- a. the time, place, and circumstances of the loss;
- b. other policies of insurance that may cover the loss;
- c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
- d. changes in title of the covered property during the policy period; and
- e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.

WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** -- In case of a loss, "you" must:
 - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
 - b. give notice to the police when the act that causes the loss is a crime.
2. **You Must Protect Property** -- "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
 - a. **Payment of Reasonable Costs** -- "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused a loss to covered property. "You" must keep an accurate record of such costs. "Our" payment of reasonable costs does not increase the "limit".
 - b. **We Do Not Pay** -- "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against.
3. **Proof Of Loss** -- "You" must send "us", within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
 4. **Examination** -- "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
 5. **Records** -- "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
 6. **Damaged Property** -- "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
 7. **Volunteer Payments** -- "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
 8. **Abandonment** -- "You" may not abandon the property to "us" without "our" written consent.
 9. **Cooperation** -- "You" must cooperate with "us" in performing all acts required by this policy.



VALUATION

1. **Actual Cash Value** -- The value of covered property will be based on the actual cash value at the time of the loss (with a deduction for depreciation) unless replacement cost is indicated on the "schedule of coverages".
2. **Replacement Cost** -- The value of covered property will be based on the replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".
 - a. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar materials and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.
 - b. **Replacement Cost Does Not Apply Until Repair Or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
 - c. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.
3. **Pair Or Set** -- The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.
4. **Loss To Parts** -- The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.

HOW MUCH WE PAY

1. **Insurable Interest** -- "We" do not cover more than "your" insurable interest in any property.
2. **Flat Deductible** -- "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence unless Percentage Deductible is indicated on the "schedule of coverages".
3. **Percentage Deductible** -- When a percentage deductible is indicated on the "schedule of coverages", "we" pay only that part of "your" loss over the deductible amount as determined below.
 - a. **Determining The Deductible Amount** -- The deductible amount is determined by applying the percentage indicated on the "schedule of coverages" to the value of the covered property that is involved in the loss. The value is determined by the provisions described under the Valuation section of this policy.
 - b. **Two Or More Items** -- If a loss involves two or more pieces of equipment, the percentage indicated on the "schedule of coverages" will apply only to the covered property with the highest value.
 - c. **Minimum and Maximum Deductible** -- The percentage deductible will not exceed the Maximum Deductible amount and will not be less than the Minimum Deductible amount indicated on the "schedule of coverages".
4. **Loss Settlement Terms** -- Subject to paragraphs 1., 2., 3., 5., 6., and 7. under How Much We Pay, "we" pay the lesser of:
 - a. the amount determined under Valuation;

- b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or
- c. the "limit" that applies to the covered property. However, the most "we" pay for loss in any one occurrence is the Catastrophe Limit indicated on the "schedule of coverages".
5. **Coinsurance --**
- a. **When Coinsurance Applies -- "We"** only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".
- b. **How We Determine Our Part Of The Loss --** "Our" part of the loss is determined using the following steps:
- 1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;
 - 2) divide the "limit" for covered property by the result determined in b.1) above;
 - 3) multiply the total amount of loss, after the application of any deductible, by the result determined in b.2) above.
- The most "we" pay is the amount determined in b.3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.
- c. **If There Is More Than One Limit --** If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".
- d. **If There Is Only One Limit --** If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.
- e. **When Coinsurance Does Not Apply --** Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".
6. **Insurance Under More Than One Coverage --** If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
7. **Insurance Under More Than One Policy --**
- a. **Proportional Share --** "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
- b. **Excess Amount --** If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".

LOSS PAYMENT

1. **Loss Payment Options --**
- a. **Our Options --** In the event of loss covered by this coverage form, "we" have the following options:
- 1) pay the value of the lost or damaged property;
 - 2) pay the cost of repairing or replacing the lost or damaged property;



- 3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
 - 4) take all or any part of the property at the agreed or appraised value.
- b. **Notice Of Our Intent To Rebuild, Repair, Or Replace** -- "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.
2. **Your Losses** --
- a. **Adjustment And Payment Of Loss** -- "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment Of Loss** -- An insured loss will be payable 30 days after:
- 1) a satisfactory proof of loss is received, and
 - 2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".
3. **Property Of Others** --
- a. **Adjustment And Payment of Loss To Property of Others** -- Losses to property of others may be adjusted with and paid to:
- 1) "you" on behalf of the owner; or
 - 2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** -- If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits brought by the owners at "our" expense.

REPORTING CONDITIONS

Equipment Leased Or Rented From Others -- If indicated on the "schedule of coverages", the following reporting conditions apply.

1. **Reports** --
 - a. **You Will Report To Us** -- Within 30 days after the end of the policy period, "you" will report to "us" the total amount of "your" expenditures for "contractors' equipment" that "you" lease or rent from others.
 - b. **Cancellation** -- If this policy is canceled, "you" will report the total amount of expenditures up to and including the date of cancellation.
2. **Premium Computation And Adjustment** --
 - a. The premium will be adjusted at the end of the policy period. The total computed premium will be determined by multiplying "your" total equipment expenditures by the reporting rate indicated on the "schedule of coverages" for Equipment Leased or Rented From Others.
 - b. "We" will compare the total computed premium to the deposit premium. If it is more than the deposit premium, "you" will pay "us" the difference. If it is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the "schedule of coverages".
3. **Provisions That Affect How Much We Pay** -- The following provisions apply to reports that are submitted and may affect How Much We Pay:
 - a. **Failure To Submit Reports** -- If "you" have failed to submit the required reports or no report has been submitted, the most "we" will pay is 90% of the "limit".

- b. **Reported Values Are Less Than The Full Value** -- If "your" last report before a loss shows less than the actual value of "your" expenditures for "contractors' equipment" that "you" lease or rent from others, "we" will only pay a part of the loss. "We" will not pay a greater portion of the loss, prior to the application of the deductible, than the total expenditures "you" reported divided by "your" actual expenditures for "contractors' equipment" that "you" lease or rent from others during the reporting period.
- c. **We Will Not Pay More Than The Limit** -- "We" will not pay more than the applicable "limit" regardless of any reported value used in computing the premium.

OTHER CONDITIONS

1. **Appraisal** -- If "you" and "we" do not agree on the amount of the loss or the value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three, sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

2. **Benefit to Others** -- Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
3. **Conformity With Statute** -- When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
4. **Estates** -- This provision applies only if the insured is an individual.
- a. **Your Death** -- On "your" death, "we" cover the following as an insured:
- 1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
 - 2) "your" legal representative.
- This person or organization is an insured only with respect to property covered by this coverage.
- b. **Policy Period Is Not Extended** -- This coverage does not extend past the policy period indicated on the declarations.



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5. **Misrepresentation, Concealment, Or Fraud** -- This coverage is void as to "you" and any other insured if, before or after a loss:
- a. "you" or any other insured have willfully concealed or misrepresented:
 - 1) a material fact or circumstance that relates to this insurance or the subject thereof; or
 - 2) "your" interest herein.
 - b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
6. **Policy Period** -- "We" pay for a covered loss that occurs during the policy period.
7. **Recoveries** -- If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
- a. "you" must notify "us" promptly if "you" recover property or receive payment;
 - b. "we" must notify "you" promptly if "we" recover property or receive payment;
 - c. any recovery expenses incurred by either are reimbursed first;
 - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid or any lesser amount to which "we" agree; and
 - e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.
8. **Restoration Of Limits** -- A loss "we" pay under this coverage does not reduce the applicable "limit" unless it is a total loss to a scheduled item. In the event of a total loss to a scheduled item, "we" refund the unearned premium on that item.
9. **Subrogation** -- If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.
- "You" may waive "your" right to recover from others in writing before a loss occurs.
10. **Suit Against Us** -- No one may bring a legal action against "us" under this coverage unless:
- a. all of the "terms" of this coverage have been complied with; and
 - b. the suit has been brought within two years after "you" first have knowledge of the loss.
- If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.
11. **Territorial Limits** -- "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

IM 7000 04 04

**SCHEDULE OF COVERAGES
 CONTRACTORS' EQUIPMENT**

(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)

PROPERTY COVERED

(check one)

Scheduled Equipment (Refer to Equipment Schedule)

Schedule On File

	Limit
Catastrophe Limit -- The most "we" pay for loss in any one occurrence is:	\$ 610,767

COVERAGE EXTENSIONS

Additional Debris Removal Expenses	\$ CIM7128
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SUPPLEMENTAL COVERAGES

Employee Tools	\$ CIM7128
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Equipment Leased or Rented From Others	\$ CIM7128
--	------------

Newly Purchased Equipment (check one)

Percentage of Catastrophe Limit 30 %

Dollar Limit \$

Pollutant Cleanup and Removal	\$ CIM7128
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Rental Reimbursement

-- Reimbursement Limit	\$ CIM7128
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-- Waiting Period	72 Hours
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Spare Parts and Fuel	\$ CIM7128
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REPLACEMENT COST ENDORSEMENT

VALUATION

The Actual Cash Value provision under Valuation is replaced by the following:

Replacement Cost -- The value of covered property will be based on the replacement cost at the time of the loss without any deduction for depreciation.

1. **Replacement Cost Limitation** -- The replacement cost is limited to the cost of repair or replacement with similar equipment and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.
2. **Replacement Cost Does Not Apply Until Repair Or Replacement** -- Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.
3. **Time Limitation** -- "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.



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**EQUIPMENT SCHEDULE
CONTRACTORS' EQUIPMENT**

(The entries required to complete this schedule will be shown below or on the "schedule of coverages".)

EQUIPMENT SCHEDULE

Item No.	Description of Equipment	Limit
1	1998 A441952 New Holland 545D	\$ 28,702
2	2006 JJG0380216 Case 570 MXT Front End Loader	\$ 39,209
3	1993 UJ20853 New Holland 1620 Frail Mower	\$ 12,587
4	1994 A427118 New Holland 555D Backhoe	\$ 35,917
5	1998 NHA442778 New Holland 545D 4WD	\$ 33,378
6	2004 JJG0302583 Case 570 MXT Front End Loader	\$ 44,800
7	1992 UJ20481 New Holland 1620 Frail Mower	\$ 12,646
8	1999 31019809 New Holland 555 4WD	\$ 43,919
9	2001 31026955 New Holland 555E Front End Loader	\$ 34,912
10	2002 G028107 New Holland TC29	\$ 15,094

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EQUIPMENT SCHEDULE CONTRACTORS' EQUIPMENT

(The entries required to complete this schedule
will be shown below or on the "schedule of coverages".)

EQUIPMENT SCHEDULE

Item No.	Description of Equipment	Limit
11	2002 31037193 New Holland LB75 Front End Loader	\$ 47,175
12	2004 528060 JCB 8060 Articulating Wheel Loader	\$ 56,369
13	1984 C732968 New Holland 555 Front End Loader	\$ 36,996
14	1998 NHA442766 New Holland 5545D 4WD	\$ 33,378
15	2008 NBC500893 Case 580M Series 3 Orange Unit With Back	\$ 50,597
16	2008 Z8DA095322 New Holland T2220 4WD 2-72" Deck	\$ 17,875
17	1994 511111548 Bobcat Skid Steer Loader (Yellow)	\$ 16,303
18	1994 511011055 Bobcat Skid Steer Loader (Yellow)	\$ 29,255
19	2010 A3KY37073 Bobcat Skid Steer S130 Loader (white)	\$ 21,655
		\$

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

CIM-7128 Ed 12-13 Contractors Equip Broadending Endt NY

This endorsement modifies insurance provided under the following:

CONTRACTORS' EQUIPMENT COVERAGE
 SCHEDULE OF COVERAGES - CONTRACTORS' EQUIPMENT

Following is a summary of limits set forth in Contractors' Equipment Coverage IM 7000 and below in this Broadening Endorsement. Where this Broadening Endorsement increases a limit set forth in Contractors' Equipment Coverage IM 7000, the increased limit is provided.

COVERAGES EXTENSIONS

	Limit
Additional Debris Removal Expense	\$ 50,000
Equipment Leased or Rented to Others	\$ 100,000
Equipment Loaned to Others	\$ 100,000
Fraud and Deceit	\$ 50,000
Waterborne Equipment	\$ 50,000

SUPPLEMENTAL COVERAGES

Accounts Receivable	\$ 10,000
Construction Trailers	
Any One Trailer	\$ 10,000
Any One Loss	\$ 50,000
Continuing Rental or Lease Payments	
Per Item Limit	\$ 2,500
Annual Limit For All Occurrences	\$ 25,000
Employee Tools	\$ 10,000
Equipment Leased or Rented From Others	\$ 250,000
Equipment Borrowed From Others	\$ 100,000
Expediting Expense	\$ 25,000
Fire Department Service Charge	\$ 2,500
Newly Purchased Equipment	\$ 250,000
Pollutant Cleanup	\$ 25,000
Recharge of Fire Extinguishing Equipment	\$ 2,500
Rental Reimbursement	
Reimbursement Limit	\$ 15,000

All other terms and conditions of this Policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

Waiting Period	24 hours
Spare Parts And Fuel	\$ 10,000
Theft Loss Waiver Of Deductible (GPS Equipped)	Included
Unscheduled Tools And Equipment	
Any One Tool	\$ 2,500
Any One Loss	\$ 25,000
Deductible	\$ 500
Valuable Papers	\$ 10,000

I. PROPERTY COVERED, COVERAGE EXTENSIONS AND SUPPLEMENTAL COVERAGES on the Schedule of Coverages form - IM 7005 are deleted in their entirety and replaced by the following:

PROPERTY COVERED

(check one)

X Scheduled Equipment (Refer To Equipment Schedule)

Schedule On File - Flat Premium

Schedule On File - Annual Adjustment

Annual Rate:

Deposit Premium:

Minimum Premium:

Catastrophe Limit \$ 610,767

The COINSURANCE, REPORTING CONDITIONS, VALUATION, DEDUCTIBLE and ADDITIONAL INFORMATION provisions of the Schedule of Coverages form - IM 7005 apply to this CONTRACTORS' EQUIPMENT BROADENING ENDORSEMENT and continue to apply to the CONTRACTORS' EQUIPMENT COVERAGE form, except as otherwise provided herein.

All other terms and conditions of this Policy remain unchanged.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

II. The PROPERTY COVERED section in Contractors' Equipment Coverage - IM 7000 is amended as follows:

1. The following is added to Paragraph 1:

c. Premium Computation - If Scheduled Equipment is indicated above, "your" premium is computed by applying the premium rate to the sum of the limits that apply to the covered property.

2. The following is added to Paragraph 2:

c. Premium Computation - If Schedule On File - Flat Premium is indicated above, "your" premium is computed by applying the premium rate to the limit for each item that "you" submit on the schedule pursuant to item b.1 of Paragraph 2 under PROPERTY COVERED.

3. A new Paragraph 3 is added, as follows:

3. Schedule on File - Annual Adjustment

a. Coverage - "We" cover direct physical loss caused by a covered peril to:

- 1) "your" "contractors' equipment"; and
- 2) "contractors' equipment" of others in "your"

care, custody, or control.

b. Coverage Limitation - "We" only cover "your" "contractors' equipment" and "contractors' equipment" of others:

- 1) that are listed in schedules which "you" must submit to "us" at the beginning and end of "your" policy period or upon cancellation, and "we" keep on file; the schedule must contain a description of each item to be covered and a "limit" for each item; and

- 2) when Schedule On File - Annual Adjustment is indicated above.

c. Premium Computation - If Schedule On File - Annual Adjustment is indicated above, "your" premium will be adjusted at the end of each annual policy period or, in the case of cancellation, following cancellation. "We" will add (a) the sum of the limits set forth on the schedule of covered "contractors' equipment" at the beginning of the term and (b) the sum of the limits set forth on the final schedule reported at the end of the term or upon cancellation. This figure will be divided by a factor of 2, obtaining the average value of the limits on the equipment schedules. "We" will apply the policy rate to this average value. If the resulting premium is more than the deposit premium, "you" will pay "us" the

All other terms and conditions of this Policy remain unchanged.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

difference. If the resulting premium is less than the deposit premium, "we" will pay "you" the difference subject to the minimum premium indicated on the schedule of coverages.

III. The COVERAGE EXTENSIONS in Contractors' Equipment Coverage - IM 7000 are amended as follows:

1. Section 4 of the COVERAGE EXTENSION for Debris Removal is amended as follows:

4. Additional Limit - "We" pay up to an additional \$50,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.

2. The following COVERAGE EXTENSIONS are added:

Equipment Leased Or Rented To Others -

a. Coverage - "We" cover direct physical loss caused by a covered peril to covered property that "you" loan to other contractors or individuals.

b. Limit - The most "we" pay in any one occurrence for loss to covered property that "you" loan to others is \$100,000.

Waterborne Equipment-

a. Coverage - "We" pay for direct physical loss caused by a covered peril to covered property that "you" loan to other contractors or individuals.

b. Limit - The most "we" pay in any one occurrence for loss to covered property that "you" loan to others is \$100,000.

Fraud And Deceit -

a. Coverage - "We" cover theft of covered property when "you" or "your" agents, customers, or consignees are fraudulently induced to part with the covered property:

1) to persons who falsely represent themselves as the proper persons to receive the property;

2) by the acceptance of fraudulent bills of lading or shipping receipts; or

3) as a result of or directly related to the use of any electronic data processing hardware or software.

b. Limit - The most "we" pay in any one occurrence for theft of

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covered property under this Coverage Extension is \$50,000.

Equipment Loaned To Others -

a. Coverage - "We" cover direct physical loss caused by a covered peril to covered property while waterborne.

b. Limit - The most "we" pay in any one occurrence for loss to waterborne property is \$50,000.

IV. The SUPPLEMENTAL COVERAGES in Contractors' Equipment Coverage - IM 7000 are amended as follows:

1. Section c of the SUPPLEMENTAL COVERAGE for Employee Tools is amended as follows:

c. Limit - The most "we" pay in any one occurrence for loss to employee tools is \$10,000.

2. The SUPPLEMENTAL COVERAGE for Equipment Leased Or Rented From Others is amended to read as follows:

Equipment Leased Or Rented From Others -

a. Coverage - "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" have leased or rented from others.

b. Limit - The most "we" pay in any one occurrence for equipment leased or rented from others is \$100,000.

3. The SUPPLEMENTAL COVERAGE for Newly Purchased Property is amended to read as follows:

Newly Purchased Equipment -

a. Coverage - "We" cover direct physical loss caused by a covered peril to additional "contractors' equipment" that "you" purchase during the policy period.

b. Limit - The most that "we" pay for any loss under this supplemental coverage is the actual cash value of the covered property, not to exceed \$250,000 per item.

c. Time Limitation - If Scheduled Equipment or Schedule On File - Flat Premium is indicated above, "we" extend coverage to the additional "contractors' equipment" that "you" purchase for up to 60 days. This supplemental coverage will end when any of the following first occur:

- 1) this policy expires;
- 2) 60 days after "you" obtain the additional "contractors' equipment"; or

All other terms and conditions of this Policy remain unchanged.



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3) "you" report additional "contractors' equipment" to "us."

If Schedule On File - Annual Adjustment is indicated above, "we" extend coverage to the additional "contractors' equipment" that "you" purchase during the policy year from the acquisition date until the end of the policy term.

d. Additional Premium - "You" must pay any additional premium due in accordance with the applicable of Paragraph 1.c, 2.c, or 3.c of Section II PROPERTY COVERED of CONTRACTORS' EQUIPMENT BROADENING ENDORSEMENT. The premium due shall be prorated for the remainder of the policy period beginning with the date that "you" purchased the "contractors' equipment."

4. The following SUPPLEMENTAL COVERAGES are added:

Construction Trailers -

a. Coverage - "We" cover direct physical loss caused by a covered peril to "construction trailers" and the contents within the trailers.

b. Coverage Limitations - "We" only cover "construction trailers" and the contents within the trailers while the trailers are:

- 1) at a "jobsite";
- 2) in storage; or
- 3) in transit between a "jobsite" and storage.

If Schedule On File - Annual Adjustment is indicated above, "we" extend coverage to the additional "contractors' equipment" that "you" purchase during the policy year from the acquisition date until the end of the policy term.

c. Limit -

1) the most "we" pay in any one occurrence for any one "construction trailer" and the contents in the trailer is \$10,000.

2) the most "we" pay for loss in any one occurrence for all "construction trailers" and the contents in the trailers is \$50,000.

Continuing Rental Or Lease Payments -

a. Coverage - In the event of a direct physical loss by a covered peril to covered "contractors' equipment" "you" have rented or leased, "we" pay for "your" legal liability to continue to make rental or lease payments for the rented or leased equipment after it has been lost or damaged.

b. Coverage Limitations -

1) "We" pay for "your" continuing rental or lease payments only:

All other terms and conditions of this Policy remain unchanged.

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a) if "you" are contractually obligated to continue making rental or lease payments while the covered equipment is repaired or replaced; and

b) until the covered property has been repaired or replaced.

2) "We" will not pay "you" unless every reasonable effort is made to repair, replace, or rebuild the inoperable equipment after the loss by a covered peril occurs.

c. Limit -

1) The most "we" pay for continuing rental or lease payments for any one piece of equipment is \$2,500.

2) The most "we" pay in any one 12 month period for all continuing rental or lease payments is \$25,000.

d. Deductible Does Not Apply - The deductible amount indicated on the "schedule of coverages" does not apply to the continuing rental or lease payments as covered under this endorsement.

e. Waiting Period - "We" will not pay "you" for continuing rental or lease payments until after the first 72 hours following the covered loss to the rented or leased "contractors' equipment".

f. Incurred Rental Payments - After the waiting period has passed, "we" will only pay "you" for the continuing rental or lease payments that "you" actually pay.

g. Coverage After Expiration Date - "We" will continue to pay "you" for the continuing rental or lease payments after the expiration date of this coverage, provided the loss occurred before the expiration date.

Equipment Borrowed From Others -

a. Coverage - "We" cover direct physical loss caused by a covered peril to "contractors' equipment" that "you" borrow from another contractor or individual.

b. Coverage Limitation - "We" cover loss only to borrowed equipment that is:

1) similar to "your" "contractors' equipment"; and

2) not described on the "equipment schedule" or otherwise scheduled.

c. Limit - The most "we" pay in any one occurrence for loss to covered property that "you" borrow from others is \$100,000.

All other terms and conditions of this Policy remain unchanged.



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operational GPS tracking device, or similar tracking device, no deductible will be applied to the theft loss.

Accounts Receivable -

a. Coverage - "We" pay to cover losses and expenses that "you" incur as a result of a direct physical loss caused by a covered peril to "your" records of accounts receivable.

Losses and expenses under this coverage means:

- 1) all sums due "you" from customers, provided "you" are unable to effect collection;
- 2) interest charges on any loan used to offset impaired collections pending "our" payment of such sums;
- 3) collection expenses in excess of normal collection costs made necessary because of loss or damage; and
- 4) other reasonable expenses incurred by "you" in recreating records of accounts receivable following such damage.

b. We Do Not Cover - "We" do not cover loss to accounts receivable that is a result of:

- 1) an error or omission in bookkeeping, accounting, or billing; or
- 2) "your" discovery of a discrepancy in "your" books or records if an audit or inventory computation is necessary to prove the factual existence of the discrepancy.

c. Valuation - The value of accounts receivable will be based on the total sum of accounts receivable due. From this total "we" will deduct:

- 1) all amounts due from the records of accounts receivable that are not lost;
- 2) all amounts due that can be established by other means;
- 3) all amounts due that "you" have collected from the records that are lost;
- 4) all unearned interest and service charges; and
- 5) an amount to allow for bad debts.

If a loss occurs and "you" cannot establish the actual accounts receivable due, it will be determined as follows:

- 1) "We" will determine the average monthly accounts receivable amounts from the 12 month period that immediately precedes the



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month in which the loss occurred.

2) "We" will adjust the average amount for any normal variance in the accounts receivable amount for the month in which the loss occurred.

d. Limit- The most "we" will pay in any one occurrence under this Accounts Receivable Supplemental Coverage is \$10,000.

Unscheduled Tools -

a. Coverage - "We" cover direct physical loss caused by a covered peril to "your" "unscheduled tools and equipment".

b. Limit -

1) The most "we" pay in any one occurrence for any one item of "unscheduled tools and equipment" is \$2,500.

2) The most "we" pay for loss in any one occurrence for all "unscheduled tools and equipment" is \$10,000.

c. How Much We Pay- "We" pay only that part of "your" loss in any one occurrence over \$1,000 deductible up to the Limit indicated in item b. above. The deductible amount indicated on the SCHEDULE OF COVERAGES CONTRACTORS' EQUIPMENT is replaced with this \$1,000 deductible for this Supplemental Coverage only.

Valuable Papers -

a. Coverage - "We" pay the cost of research or other expenses necessary to reproduce, replace, or restore lost information that result from a direct physical loss caused by a covered peril to "your" "valuable papers".

b. We Do Not Cover - "We" do not cover loss to "valuable papers" caused by errors or omissions in processing or copying.

c. Valuation - The value of "valuable papers" will be the cost of research or other expenses necessary to reproduce, replace, or restore lost information or, if the lost information cannot be or is not reproduced, restored, or replaced, the value of "valuable papers" will be their actual cash value at the time of the loss.

d. Limit- The most "we" will pay in any one occurrence under this Valuable Papers Supplemental Coverage is \$10,000.

V. Under HOW MUCH WE PAY in Contractors' Equipment Coverage - IM 7000,

All other terms and conditions of this Policy remain unchanged.

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Section 4.c is amended and replaced by the following:

c. the "limit" that applies to the covered property. However, the most "we" will pay for loss that is payable in any one occurrence under the CONTRACTORS' EQUIPMENT COVERAGE form and CONTRACTORS' EQUIPMENT BROADENING ENDORSEMENT, including but not limited to all amounts payable under PROPERTY COVERED, COVERAGE EXTENSIONS, and SUPPLEMENTAL COVERAGES, is the amount listed as the Catastrophe Limit in Section I. above.

VI. The following Definitions are added:

DEFINITIONS:

As used in this Contractors' Equipment Broadening Endorsement only, the following terms have the following meanings:

"Construction trailer" means "your" transportable trailer or the transportable trailer of others in "your" care, custody, or control used at "jobsites" as an office or for storage.

"Unscheduled tools and equipment" means equipment and tools of a mobile nature that "you" use in "your" contracting, installation, erection, repair, or moving operation or projects and that are not specifically scheduled on the policy.

"Valuable Papers" means documents, manuscripts, or records that are inscribed, printed, or written. This includes, but is not limited to, abstracts, books, deeds, drawings, films, maps, or mortgages. This does not include money or securities, converted data, programs, or instructions used in your data processing operations, including the materials on which data are recorded.

CIM-7128





Harleysville Insurance: Our Privacy Pledge

Providing superior products and services to our customers requires us to obtain various types of personal information. In entrusting your business to us, we understand that you expect your personal information to remain private and to be treated with the utmost confidence. Please be assured we are committed to safeguarding your privacy, and have established a policy to maintain the confidentiality of your personal information. We think it is important for you, as well, to understand how Harleysville Insurance* obtains, uses and safeguards your personal information.

How we obtain, use and protect your personal information

Information we obtain

The information we obtain will depend upon the type of insurance you request and may include:

- *Information we receive from you* in writing, by telephone or electronically on applications or other forms. Examples: your name, address, social security number and income. For some insurance products, the information may include your health history.
- *Information about your transactions with us.* Examples: your policy coverage, premiums, claims history and payment history.
- *Information we receive from a consumer reporting agency.* Examples: your credit score, credit history and motor vehicle reports.

Information we disclose

Except as explained below, we may share any personal information about our customers and former customers within Harleysville Insurance in order to offer you other Harleysville Insurance services that are likely to be of value to you.

- Unless you tell us not to, we may share credit information about you within Harleysville Insurance. Examples: your credit score, credit history or motor vehicle reports. We share this information in order to provide you with the appropriate insurance coverage. If you prefer that we not share this information within Harleysville Insurance, you may tell us not to by calling a toll-free number 1.800.829.7865.

As permitted by law, we may disclose (without specific authorization) any personal information about our customers and former customers we obtain to third parties (which includes persons and companies within and outside Harleysville Insurance) as is necessary for these parties to help us service or process your transaction with us.

We may disclose the following information to companies that perform marketing services for Harleysville Insurance or to other financial institutions such as banks, thrift institutions or insurance companies with which we have joint marketing agreements:

- *Information we receive from you* on applications or other forms. Examples: your name, address and telephone number.
- *Information about your transactions with us*, such as your policy coverage.
- These third parties must agree to maintain strict confidentiality protections and limit the use of the customer information we provide them.

We do not sell or otherwise provide lists of our customers to third parties to market non-financial services.



Confidentiality of Health Information

It is often necessary for us to obtain personal health information in order to underwrite insurance and process claims for various types of personal insurance coverages. We recognize your concerns about the security of that information and want to assure you that any personal health data you provide to us will be held in strict confidence. We will not disclose nor share your personal health information for marketing or any other unauthorized purpose. We may disclose or share your personal health information for underwriting your policy or administering your policy or claim or for other purposes permitted by law.

Harleysville Insurance independent agents

Independent insurance agents of Harleysville Insurance are authorized to solicit business for Harleysville Insurance. However, they are not Harleysville Insurance employees. Because they have a unique business relationship with you, they may have additional personal information about you that we do not have. Agents may use any of your personal information they have for purposes other than doing business with us. If so, your agent may need to provide you with the agency's privacy policy.

Information security standards

We maintain physical, electronic and procedural safeguards to protect customer information. We restrict access to your personal information to those persons who have a business need for such information.

We'll keep you informed

As a valued customer, we respect your privacy concerns. We will provide you with an annual notice. In the event of future changes in our privacy policy, we will provide you an updated notice.

*Our privacy pledge extends to all companies of Harleysville Insurance:

Harleysville Lake States Insurance Company
 Harleysville Life Insurance Company
 Harleysville Mutual Insurance Company
 Harleysville Pennland Insurance Company
 Harleysville Preferred Insurance Company
 Harleysville Worcester Insurance Company

Harleysville-Atlantic Insurance Company
 Harleysville Insurance Company
 Harleysville Insurance Company of New Jersey
 Harleysville Insurance Company of New York
 Harleysville Insurance Company of Ohio
 Mainland Insurance Company

IMPORTANT NOTICE TO POLICYHOLDERS

VIRUS OR BACTERIA EXCLUSION

This notice is designed to provide information regarding the new Virus Or Bacteria Exclusion endorsement attached to your new or renewal policy.

This notice is not part of your insurance contract. No coverage is provided by this notice. **READ YOUR POLICY CAREFULLY** to determine the actual terms and conditions of your policy and its endorsements.

The Virus Or Bacteria Exclusion endorsement that is applicable to the Inland Marine Guide is identified as CL 0700.

Virus Or Bacteria Exclusion, CL 0700

This endorsement specifically states that loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress is not covered under your policy.

The endorsement applies to all coverages, coverage extensions, supplemental coverages, optional coverages and endorsements that are provided by the Inland Marine Guide policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense or interruption by civil authority.

