



In the event of loss, send notice to:
Condominium Insurance Specialists of America
2175 Point Blvd.
Suite 200
Elgin, Illinois 60123
Phone: 1-847-870-7000

All other inquires:
Berkley Program Specialists
1250 East Diehl
Suite 200
Naperville, Illinois 60563
Phone: 630-210-0360
Fax: 630-210-0377

PRIVACY NOTICE

StarNet Insurance Company (the "Company"), a member company of the W.R. Berkley Corporation ("Berkley") group of companies and each other member of the Berkley group of companies ("Affiliates") understands our customers' concern about privacy of their information collected by the Company. Our Company is dedicated to protecting the confidentiality and security of nonpublic personal information we collect about our customers in accordance with applicable laws and regulations. This notice refers to the Company by using the terms "us," "we," or "our." This notice describes our privacy policy and describes how we treat the nonpublic personal information about our customers that we receive from them ("Information").

Why We Collect and How We Use Information.

We collect and use Information for business purposes with respect to our insurance products and services and other business relations involving our customers. We gather this Information to evaluate your request for insurance, to evaluate your insurance claims, to administer, maintain, or review your insurance policy, and to process your insurance transactions. We also accumulate certain information about you as may be required or permitted by law. Your insurance agent or broker also collects this Information and may use it to help with your overall insurance program or to market additional products and services to you. We may also use Information to offer you other products or services that we or our Affiliates provide.

How We Collect Information.

Most Information collected by us is provided by you or your insurance agent or broker to us. We obtain Information from (i) applications or other forms submitted by you, your insurance agent or broker or your authorized representatives to us and our Affiliates, and (ii) your transactions with us or our Affiliates. We may also obtain Information from other sources such as (i) consumer reporting agencies, (ii) other institutions or information services providers, (iii) employers, (iv) other insurers, or (v) your family members.

Information We Disclose

We disclose any Information which we believe is necessary to conduct our business as permitted by applicable law or where required by applicable law. This disclosure may include (i) Information we receive from you on applications or other forms provided to us and our Affiliates, such as names, addresses, social security numbers, assets, employer information, salaries, etc. (ii) Information about your transactions with us and our Affiliates, such as policy coverages, premiums, payment history, etc., and (iii) Information we receive from a consumer reporting agency, such as credit worthiness and credit history.

To Whom We Disclose Information

We may, as permitted or required by applicable law, disclose your Information to nonaffiliated third parties, such as (i) your insurance agent or broker, (ii) independent claims adjusters, (iii) insurance support organizations, (iv) processing companies, (v) actuarial organizations, (vi) law firms, (vii) other insurance companies involved in an insurance transaction with you, (viii) law enforcement, regulatory, or governmental agencies, (ix) courts or parties therein pursuant to a subpoena or court order, (x) businesses with whom we have a marketing agreement, or (xi) our Affiliates.

We may share Information with our Affiliates so that they may offer you products and services from the Berkley group of companies or to analyze our book of business and to consolidate necessary information. We do not disclose Information to other companies or organizations not affiliated with us for the purpose of using Information to sell their products or services to you. For example, we do not sell your name to unaffiliated mail order or direct marketing companies.

How We Protect Information

We require our employees to protect the confidentiality of Information as required by applicable law. Access to Information by our employees is limited to administering, offering, servicing, processing or maintaining of our products and services. We also maintain physical, electronic and procedural safeguards designed to protect Information. When we share or provide Information to other persons or organizations, we contractually obligate them, if required by law, to treat Information as confidential and conform to our privacy policy and applicable laws and regulations.

Correction and Access to Information

Upon our receipt of your written request to us at 1250 East Diehl Road, Suite 200, Naperville, IL 60563, we will, generally, make available Information for your review. If you believe the Information we have about you is incorrect or inaccurate, you may request that we make any necessary corrections, additions or deletions. If we agree with your belief, we will correct our records if required by applicable law. If we do not agree, you may submit to us a short statement of dispute, which we will include in any future disclosure by us of such Information if required by applicable law.

Requirements for Privacy Notice

This privacy notice is being provided due to recently enacted federal and state laws and regulations establishing new privacy standards and requires us to provide this privacy policy. For additional information regarding our privacy policy, please write to us at 1250 East Diehl Road, Suite 200, Naperville, IL 60563.

Adopted: June 1, 2001



A Berkley Company A Stock Company

Domicile Office: P.O. Box 9190 Des Moines, Iowa 50306-9190

Administrative Office: 475 Steamboat Road, Greenwich, CT 06830

DECLARATIONS

Policy Number QAP0000572-02	Expiring Policy Number QAP0000572-01
Named Insured and Mailing Address Condominium Association of St. James c/o American Property Management of IL, Inc 1251 N. Plum Grove Road #140 Schaumburg, IL 60173	Producer Name and Address Condominium Insurance Specialists of America, Inc. 2175 Point Blvd, Suite #200 Elgin, IL 60123

Insurance is issued by Starnet Insurance Company, a stock insurance company, in consideration of the required premium payment for the insurance attached and for which a Limit of Insurance is shown on the Declarations Pages.


This policy is issued for the period 12:01 AM standard time at the Named Insured's mailing address.

From: 3/17/2024


To: 3/17/2025

These Declarations with Insurance, Conditions, Loss Provisions, Definitions and Amendments complete the policy.

IN WITNESS WHEREOF, we have executed and attested these presents.


 <<_____>>

Secretary


 <<_____>>

President

COMMON DECLARATIONS

Issued By: StarNet Insurance Company	Policy Number QAP0000572-02	Issue Date 3/18/2024
Named Insured and Mailing Address Condominium Association of St. James c/o American Property Management of IL, Inc 1251 N. Plum Grove Road #140 Schaumburg, IL 60173	Producer Name and Mailing Address Condominium Insurance Specialists of America, Inc. 2175 Point Boulevard, Suite 200 Elgin, IL 60123	
Premium for the Period	From: 3/17/2024	To: 3/17/2025
Insurance Coverages *	Forms	
<input type="checkbox"/> Personal Property	BPSCISA050 (08-21); PRIVNTC1 (06-01); BPSCISA001DEC (08-21); BPSCISA002DEC (01-23); BPSCISA007 (01-22); BPSCISA003DEC (08-21);	
<input checked="" type="checkbox"/> Building	BPSCISA009 (05-22); CP0321 (10-12); BPSCISA068 (08-21); BPSCISA057 (08-21);	
<input type="checkbox"/> Business Income Coverage	BPSCISA011 (01-22); BPSCISA058 (08-21); BPSCISA067 (08-21); BPSCISA074 (08-21);	
<input checked="" type="checkbox"/> Extra Expense	BPSCISA144 (01-22); IL0953 (01-15); BPSCISA066 (05-22); BPSCISA004 DEC (08-21);	
<input type="checkbox"/> Fidelity	BPSCISA008 (05-22); BPSCISA065 (01-22); BPSCISA059 (08-21); BPSCISA073 (01-24);	
<input checked="" type="checkbox"/> Commercial General Liability	CG2173 (01-15); BPSCISA062 (05-22); BPSCISACLCG2249 (05-22); BPSCISAPN8305 (06-23);	
<input checked="" type="checkbox"/> Equipment Breakdown	BPSCISA075 (06-23); BPSCISAPN8304 (06-23); BPSCISA076 (06-23); BPSCISA071 (08-21);	
<input type="checkbox"/> Flood	BPSCISA047 (01-22); BPSCISA048 (08-21); ILPN8315 (12-20); BPSCISA OFAC01 (08-21);	
<input type="checkbox"/> Earthquake		
<input checked="" type="checkbox"/> Ordinance or Law		
<input type="checkbox"/> Other		
<input type="checkbox"/> Other		
Total Premium \$28,279.00 **	** Premium Payment Provision	

* Coverage applies if a box is checked otherwise, there is no coverage

3/17/2024	\$7,072.00
6/17/2024	\$7,069.00
9/17/2024	\$7,069.00
12/17/2024	\$7,069.00

Address Listing

1401-5-9-13-17 W ORCHARD PL
1402-6-10-14-18 W ORCHARD PL
1725-29-33-37-41 W ORCHARD PL
1726-30-34-38-42 W ORCHARD PL
1421-5-9-33-37-41 W ORCHARD PL
1422-6-30-34-38-42 W ORCHARD
1501-5-9-13-17-21 W ORCHARD PL
1502-6-10-14-18-22 W ORCHARD
1601-5-9-13-17-21 W ORCHARD PL
1602-6-10-14-18-22 W ORCHARD
1625-29-33-37-41-45 W ORCHARD
1626-30-34-38-42-46 W ORCHARD
1701-5-9-13-15-21 W ORCHARDL
1702-6-10-14-18-22 W ORCHARD

ARLINGTON HTS, IL 60005

Association and Community Excellence Program

COMMUNITY COVERAGE COMMON POLICY CONDITIONS

A. Named Insured:

The "Association" in the Declarations is primarily responsible for payment of all premiums. The "Association" will act on behalf of all other insureds for the giving and receiving of any return premiums that become payable under this policy.

B. Cancellation

The "Association" may cancel this policy or any of its individual coverages at any time by sending the "Company" a written request, or by returning the policy and stating when there after cancellation is to take effective.

The "Company" may cancel this policy or any of its individual coverages at any time by sending to the "Association" a notice 60 days (10 days in the event of non-payment of premium) in advance of the cancellation date. The "Company's" notice of cancellation will be mailed to the "Association's" last known address, and will indicate the date on which coverage is terminated. If notice is mailed, proof of mailing will be sufficient proof of notice.

If the "Company" cancels, the refund will be pro rata. If the "Association" cancels, the refund may be less than pro rata. The cancellation will be effective even if the "Company" have not made or offered a refund. Any unearned premium will be returned as soon as practicable.

C. Transfer of Rights and Duties

The rights and duties of an insured under this insurance may not be transferred without the "Company's" written consent; except if an insured dies, then his rights and duties will be transferred to his legal representative, but only while acting within the scope of duties as his legal representative, or to anyone having temporary custody of his property until his legal representative has been appointed.

D. Concealment or Misrepresentation

This insurance is void if coverage is issued or continued premised on any fraudulent act or omission by any insured at any time. This policy is also void if any insured intentionally conceals or misrepresents any material fact or circumstance relating to:

1. This policy;
2. The Covered Property;
3. The "Association's" interest in the covered Property

E. Policy Amendments

This policy can only be changed by a written amendment issued by the "Company" that becomes part of this policy. The amendment must be signed by one of the "Company's" authorized representatives.

Any term of this insurance which is in conflict with the applicable statutes of the state in which the "Association" is located is amended to conform to such statutes.

F. Audit of Books and Records

The "Company" may audit the Insured's books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

G. Inspections and Survey

The "Company" has the right, but is not obligated, to:

1. make inspections and surveys of "Association" property and records at any time;
2. give the "Association" reports on the conditions the "Company" find; and
3. recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. The "Company" does not make safety inspections. The "Company" does not undertake to perform the duty of any person or organization to provide for the health or safety of workers or for the public or to confirm or make any pronouncement as to whether any property meets safety or building code requirements or guidelines. Any inspections or surveys conducted by the "Company" or on the "Company's" behalf or any reports or recommendations issued by the "Company" or on the "Company's" behalf shall not be deemed or construed to be advice or notification to any insured of the means to avoid or eradicate property or liability exposures. The "Company" do not warrant that conditions:

1. are safe or healthful; or
2. comply with laws, regulation, codes or standards.

This condition applies not only to the "Company", but also to any rating, advisory, rate service or similar organization which makes an insurance inspection, survey, report, or recommendation for the "Company's" use or on the "Company's" behalf.

H. Liberalization

If the "Company" adopt any changes while this insurance is in force (or within 45 days prior to its effective date) which could broaden or extend this insurance without an additional premium charge, the insured will automatically receive the benefit of the broadened coverage.

I. Title of Paragraphs

The titles of the various paragraphs of this policy and amendments, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions for which they relate.

PROPERTY INSURANCE COVERAGE DECLARATIONS

Named Insured: Condominium Association of St. James	Policy Number: QAP0000572-02
Policy Period: 3/17/2024 to 3/17/2025	Insured Premises: See Address List

This insurance applies only to the Covered Property / Coverages for which a Limit of Insurance is shown below.

Covered Property / Coverages	Limits of Insurance
Building	Replacement Guarantee
Equipment Breakdown	See Form BPSCISA057(08-21)
Ordinance or Law	Replacement Guarantee
Flood	
Earthquake	
Personal Property	
Business Income	
Extra Expense	Included

Covered Property / Coverages	Deductible per Claim
Property – Buildings	\$10,000
Property – Personal Property	
Property – Equipment Breakdown	\$10,000
Property - Flood	
Property – Earthquake	
Property – Vacant Unit	
Property – Wind&Hail	2%
Mortgage holder:	

Other:

Replacement Guarantee Valuation: Yes

 Authorized Representative

Association and Community Excellence Program

PROPERTY INSURANCE COVERAGE FORM

I. COVERAGE

A. Covered Property and Covered Causes of Loss

The "Company" will pay for direct physical loss or damage incurred to Covered Property shown below only when a Limit of Insurance is shown in the **Property Insurance Coverage Declarations** for such Covered Property. The direct physical loss or damage must be caused by a Covered Cause of Loss and occur at the premises described in the **Property Insurance Coverage Declarations**, unless otherwise stated herein or endorsed to this Coverage Form. Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is subject to any exclusions or limitations. Covered Property which is not directly physically injured, lost or damaged is not deemed to have sustained loss or damage.

1. Building

a. Building means any permanently situated structure owned by the "Association" and includes the following:

- (1) Remodeling and renovation of structures, provided that this does not include any incomplete additions, property under construction, or any component parts of or equipment used in or for the erection or construction of any additions or property under construction;
- (2) Original fixtures, machinery and equipment after being permanently installed by the developer; and
- (3) Signs, fixtures, and fencing.

b. Building does not mean or include any of the following:

- (1) The finished surfaces of perimeter and partition walls, floors, and ceiling within units, which includes but is not limited to paint, wallpaper, paneling, other wall covering, tile, carpet and any floor covering;
- (2) All improvement and betterments, upgrades and alterations, whether installed by a current or prior owners within units;
- (3) Roadways, sidewalks or any other paved surfaces;
- (4) Retaining walls that are not part of a building,
- (5) Pilings, docks, wharves, piers, bridges, and bullocks;
- (6) Land, water;
- (7) Growing crops, lawns, and except as stated otherwise, trees, shrubs, and plants;
- (8) Foundations, supports, pipes, flues or drains which are below the undersurface of the lowest floor, basement or underground and which are not located within the building;
- (9) The cost of excavations, grading, backfilling or filling;
- (10) Mobile equipment, ladders, scaffolding, cranes, tools, material, or any other equipment used or owned by a contractor or developer in the construction of a structure;
- (11) Radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- (12) Outdoor, in-ground swimming pools which are not properly maintained;
- (13) Property that is covered under other insurance in which it is more specifically described, except for the excess of the amount due (whether an "insured" can collect on it or not) from that other insurance;
- (14) "Vacant Buildings";
- (15) Personal property of unit owners, tenants, or guests; and
- (16) "Cannabis".

2. Personal Property

a. Personal property means personal property owned by the "Association" or personal property in which the "Association" has an insurable interest. The personal property must be located within 1,000 feet of the Buildings located on the premises described in the **Property Insurance Coverage Declarations**, but not Buildings, and includes:

- (1) The "Association's" interest in labor, materials, and services furnished or arranged by the "Association" on "Personal Property Of Others Including Employees"; and
- (2) Improvements and betterments to Buildings and glass in structures the "Association" does not own.

b. Personal property does not mean or include any of the following:

- (1) Land, water;
- (2) Growing crops, lawns, and, unless stated as otherwise, trees, shrubs, and plants.
- (3) Vehicles or machines licensed or designed for use on public roads;
- (4) Watercraft;
- (5) Aircraft;
- (6) Animals;
- (7) Contraband or property in the course of illegal transportation or trade;
- (8) Money and securities, stamps, coins, coin collections, bonds, accounts, tickets, food stamps, "Accounts Receivable", bills, currency, notes, "Assessment Fees Receivable" or other evidences of debt;
- (9) The cost to research, replace or restore the information on "Valuable Papers", computers, computer discs and other records, other than as provided in Additional Coverages section;
- (10) Personal property sold by the "Association" under a conditional sale or trust agreement or an installment or deferred payment plan after delivery to customers;
- (11) Personal property of a unit owner, shareholder/member, or tenant;
- (12) "Electronic Data Processing Equipment" and media, except as provided under "Electronic Data Processing Equipment" and "Electronic Data Processing Media" within the Additional Coverages section;
- (13) "Accounts Receivable", except as provided under Additional Coverages - "Accounts Receivable";
- (14) "Valuable Papers" and records, except as provided under Additional Coverages - "Valuable Papers", and
- (15) "Cannabis".

B. "Business Income" and "Extra Expense" Coverage

1. The "Company" will pay for:

- a. loss of "Business Income"; and
- b. actual loss sustained for "Extra Expense",

that the "Association" incurs due to the necessary suspension of its "Operations" during the "Period Of Restoration". The necessary suspension of "Operations" must be caused by direct physical loss or damage to Covered Property at the premises described in the **Property Insurance Coverage Declarations** by a Covered Cause of Loss, subject to any exclusions or limitations.

The "Company" will also pay any "Extra Expense" incurred during the "Period Of Restoration". The "Company" will also pay any "Extra Expense" the "Association" incurs to repair or replace any Covered Property or to research and restore the lost information or damaged "Valuable Papers", records and "Electronic Data Processing Media" if that action will reduce any loss the "Company" would pay under this Coverage Form.

2. Limitations

The "Company" will not pay for:

- a. Any charges or expenses which cease to continue during the "Period of Restoration"; or
- b. Any increase of loss caused by or resulting from:
 - (1) Interference at the premises, described in the **Property Insurance Coverage Declarations**, by strikers or other persons causing a delay in rebuilding, repairing or replacing the property or resuming "Operations"; or

- (2) Suspension, lapse, or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "Operations", the "Company" will cover such loss that affects the "Association's" "Business Income" during the "Period of Restoration".

3. Coverage Extension

This "Business Income" and "Extra Expense" insurance may be extended to apply to newly acquired premises, subject to a Limit of Insurance of \$250,000 per newly acquired premises.

Coverage provided by this extension will remain in force for each newly acquired premises until any of the following first occurs:

- a. The "Association" notifies the "Company" of how it wants this coverage to apply to the newly acquired premises;
- b. 180 days pass since the "Association" acquired the property; or
- c. This Coverage Form is terminated.

The "Company" will charge the "Association" additional premium for this Coverage Extension from the date it acquires the property.

4. Maximum Period of Indemnity

The most the "Company" will pay for loss of "Business Income" and "Extra Expense" is the lesser of:

- (1) The amount of loss sustained during the 365 days immediately following the direct physical loss or damage; or
- (2) The Limit of Insurance shown in the **Property Insurance Coverage Declarations**.

5. "Ordinary Payroll" Limitation

Only if stated in the **Property Insurance Coverage Declarations**, "Business Income" coverage includes "Ordinary Payroll" expenses. The **Property Insurance Coverage Declarations** will then state the number of days of "Ordinary Payroll" coverage and the Limit of Insurance will include the amount of "Ordinary Payroll". If the "Ordinary Payroll" expenses for the policy year vary during the year, the period of greatest "Ordinary Payroll" expenses will be used.

C. Fire Protective Equipment Coverage

The "Company" will provide coverage for the refilling of any discharged fire protective equipment. The most the "Company" will pay for refilling fire protective equipment in any one policy year is \$25,000. This limit is regardless of the number of:

1. Discharges of the fire protective equipment;
2. Fire protective equipment devices which have been discharged;
3. Premises or locations involved.

If the refill payment applicable to the first fire protective equipment discharge does not exhaust the sub-limit for this coverage, then the remaining balance can be applied to subsequent refills of such fire protective equipment during the policy year. If a fire protective equipment discharge begins in one policy year and continues immediately in to the subsequent policy year then all charges for the refill are deemed to be incurred in the policy year in which the discharge began.

D. Ordinance or Law Coverage

1. The "Company" will pay the additional costs that the "Association" incurs due to the enforcement of an ordinance or law regulating the construction, repair, use, or occupancy of any covered building or structure, or requiring the demolition of any building or structure, including the cost of removing its debris.

If a Covered Cause of Loss occurs to a covered building or structure then the "Company" will pay for:

- a. The loss or damage caused by enforcement of an ordinance or law that:
 - (1) Requires the demolition of undamaged parts of the same building or structure;
 - (2) Regulates the construction, repair, use or occupancy of buildings or structures at the covered premises which sustained loss or damage from a Covered Cause of Loss; and
 - (3) Is in force as of the inception of the loss.
 - b. The increased cost to repair, rebuild or reconstruct the damaged covered building or structure due to enforcement of an ordinance or law. If the building or structure is repaired or rebuilt, it must be repaired or rebuilt for occupancy or use similar to the occupancy or use employed on the date of the loss.
 - c. The cost to demolish and clear the site of undamaged parts of the building or structure due to the enforcement of an ordinance or law, subject to the terms, conditions and Limits of Insurance stated in and applicable to **I.E.3.c.(1), (2), and (3)**, "Debris Removal", below.
2. The "Company" will not pay for increased construction costs under this endorsement:
 - a. Until the property is actually repaired or replaced, at the same premises; and
 - b. Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed 2 years, so long as actions to implement the repair or replacement are commenced within 180 days of the date of loss. At the "Company's" sole option, the "Company" may extend this period during the 2 years. Unless such extension is stated in writing by the "Company", no such extension will be recognized as valid.
 3. The "Company" will not pay any additional costs due to enforcement of an ordinance or law, if the covered building or structure is repaired or replaced, than the amount the "Association" actually spends to:
 - a. Demolish and clear the site; and
 - b. Repair, rebuild or reconstruct the covered building or structure with a building or structure property of the same or less height and square footage, and of comparable materials, quality and style on the same premises.
 4. If the covered building or structure is not repaired or replaced on the same premises, there shall be no coverage for increased costs due to enforcement of an ordinance or law.
 5. The terms of this Additional Coverage apply separately to each building to which the policy applies.
 6. Ordinance or Law Coverage does not apply to any loss when, prior to the loss, the "Association" or its property manager:
 - a. Received notice from an authorized government representative or agent that the "Association" property was not in compliance with a local, state, or federal ordinance, regulation, or law; and
 - b. The "Association" did not conform its property to the requirements of said ordinance, regulation, or law within the time frame or time limit established by the applicable government entity for compliance with said ordinance, regulation or law.

E. Additional Coverages

1. Accounts Receivable

The "Company" will pay for direct physical loss or damage by a Covered Cause of Loss to the "Association's" "Accounts Receivable" records.

The "Company" will also pay for the additional "Administrative Costs" the "Association" incurs during the "Period Of Restoration" that it would not have incurred if there had been no direct physical loss or damage to Covered Property. The "Company" will pay no more than 25% of the amount of "Accounts Receivable" loss for these "Administrative Costs" incurred by the "Association".

2. Assessment Fees Receivable

The "Company" will pay for "Assessment Fees Receivable" caused by or resulting from direct physical damage to Covered Property by a Covered Cause of Loss during the time required to restore all or part of the affected unit to a habitable condition within a reasonable amount of time.

3. Debris Removal

- a. The "Company" will provide coverage for "Debris Removal" related to a direct physical loss or damage caused by or resulting from a Covered Cause of Loss. In order for coverage to be provided, the expenses must be reported to the "Company" within 180 days or the earlier of:
 - (1) The date of direct physical loss or damage; or
 - (2) The end of the policy period.
- b. This Additional Coverage excludes:
 - (1) Costs incurred for the extraction of "Pollutants" from land, buildings, personal property or water; or
 - (2) Costs incurred to remove, restore or replace polluted land or water.
- c. The most the "Company" will pay for "Debris Removal" is the lesser of:
 - (1) 25% of the total of the amount the "Company" pay for covered direct physical loss or damage to the Covered Property that sustained loss or damage plus the deductible;
 - (2) The remaining applicable ratable values for Building or Personal Property for the Covered Property, as determined by the "Company" at the policy's inception or last anniversary (whichever is applicable), that sustained loss or damage after payment for the direct physical loss damage to the Covered Property; or
 - (3) The actual amount expended for "Debris Removal".

If the amount in (1) or (2) above does not sufficiently pay for the "Debris Removal" expenses, then the most the "Company" will pay for any remaining "Debris Removal" shall be \$15,000 in excess of the ratable values for Building or Personal Property, as determined by the "Company" at the policy's inception or latest anniversary (whichever is applicable), plus the deductible.

4. Electronic Data Processing Equipment

The "Company" will pay for direct physical loss or damage to "Electronic Data Processing Equipment" caused by or resulting from a Covered Cause of Loss. However, this additional coverage excludes for direct physical loss or damage caused by:

- a. A sudden change in temperature or failure to maintain required temperature;
- b. An electrical fault, short, or arcing;
- c. A system failure caused by, resulting from, or consisting of any virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation; or

- d. The manipulation of a computer system (including electronic data) by any person.

The sub-limit for this additional coverage is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of incidents of loss or damage or the number of premises, locations or computer systems involved. When a loss incident begins in one policy year and continues or results in additional loss or damage in the immediately following policy year, all loss or damage is deemed to be sustained in the policy year in which the loss incident began.

5. **Electronic Data Processing Media**

The "Company" will pay for direct physical loss or damage to "Electronic Data Processing Media" caused by or resulting from a Covered Cause of Loss. However, this additional coverage excludes for direct physical loss or damage caused by:

- a. Sudden change in temperature or failure to maintain required temperature;
- b. Electrical fault, short, or arcing;
- c. Media failure caused by, resulting from, or consisting of any virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation; or
- d. Caused by, resulting from, or consisting of manipulation of a computer system (including electronic data) by any person.

The sub-limit for this additional coverage is \$25,000 for all loss or damage sustained in any one policy year, regardless of the number of incidents of loss or damage or the number of premises, locations or computer systems involved. When a loss incident begins in one policy year and continues or results in additional loss or damage in the immediately following policy year, all loss or damage is deemed to be sustained in the policy year in which the loss incident began.

6. **Fine Arts**

The "Company" will pay for direct physical loss or damage to "Fine Arts" owned by the "Association" or "Fine Arts" of others in the "Association's" care, custody or control at the premises described in the **Property Insurance Coverage Declarations** caused by or resulting from a Covered Cause of Loss which occurs during the time the Policy is in force. However, this additional coverage excludes for direct physical loss or damage caused by:

- a. Chipping, marring, scratching, theft, malicious mischief, disappearance with no physical evidence of break-in to the premises; and
- b. Damage caused by or resulting from lack of or excessive humidity
The "Company" will not pay more than \$2,500 for loss or damage to any one piece of "Fine Arts" and not more than \$25,000 for loss or damage for all "Fine Arts" loss or damage sustained in any one policy year, regardless of the number of incidents of loss or damage or the number of premises, locations or pieces of fine art involved. If loss payment for the first loss incident does not exhaust this sub-limit, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year.

7. **Fire Department Service Charges**

The "Company" will pay for "Fire Department Service Charges" incurred due to a Covered Cause of Loss during the time the Policy is in force at the premises described in the **Property Insurance Coverage Declarations**.

The sub-limit for this additional coverage is \$25,000 in any one policy year, regardless of the number of incidents in which a fire department responds to a call at the premises described in the **Property Insurance Coverage Declarations**, the number of premises, location or fire departments involved. If the sub-limit is not exhausted by the loss payment for the first loss incident, then the remaining balance may be applied to

subsequent "Fire Department Service Charges" sustained in, but not after, that policy year. When a loss incident begins in one policy year and continues or results in additional "Fire Department Service Charges" in the immediately following policy year, all "Fire Department Service Charges" are considered to be sustained in the policy year in which the fire department response began.

No deductible applies to this coverage.

8. Loss/Claim Preparation

When required by written contract with the "Association's" property manager, executed prior to the inception of the loss, the "Company" will pay the reasonable charges at the rate per hour denoted in the contract for the property manager's time in assisting the "Association" in collecting data, safekeeping property, and preparing and recovering information and documents for the "Association's" submission and/or substantiation of a claim to the "Company" for loss or damage to Covered Property by a Covered Cause of Loss.

The sub-limit for this additional coverage is \$25,000 per policy year, regardless of the number of incidents of loss or damage, the number of premises, locations or times a property management staff member conducts loss/claim preparation actions, or the number of property management staff members involved in any loss/claim preparation. If the sub-limit is not exhausted by the payment for the first loss/claim preparation event, then the remaining balance may be applied to subsequent loss/claim preparation events which occur in, but not after, that policy year. With respect to a loss/claim preparation event which begins in one policy year and continues or results in additional time incurred by the property management staff in the immediately following policy year, all loss/claim preparation is considered to be sustained in the policy year in which the loss incident began.

9. Property Preservation

When it is necessary to move Covered Property from the premises described in the **Property Insurance Coverage Declarations** in order to preserve it from loss or damage from a Covered Cause of Loss, the "Company" will provide coverage for any direct physical loss or damage to such Covered Property from a Covered Cause of Loss and the reasonable cost incurred in loss prevention removal:

- a. While the Covered Property is being moved;
- b. While the Covered Property is temporarily stored at another location; and
- c. Only if the loss or damage to Covered Property occurs within 30 days after the Covered Property is first moved.

The sub-limit for this additional coverage is \$25,000 per policy year, regardless of the number of incidents of loss or damage or the number of premises, locations or times an "insured" carries out loss prevention removal actions. If payment for the first loss prevention removal incident does not exhaust this sub-limit, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to a loss prevention removal incident which begins in one policy year and continues or results in additional loss or damage in the immediately following year, all "Loss Prevention Removal" is considered to be sustained in the policy year in which the loss incident began.

10. Outdoor Trees, Shrubs, and Plants

The "Company" will pay for direct physical loss or damage to outdoor trees, shrubs, and plants owned by the "Association" that are lost or damaged as a direct result of:

- a. Fire;
- b. Lightning;
- c. Explosion;
- d. Riot or civil commotion;
- e. Aircraft, auto, and mobile equipment; or
- f. Vandalism and malicious mischief.

The "Company" will not pay more than \$2,500 for loss or damage to any one outdoor tree, shrub, or plant and not more than \$25,000 for loss or damage for all outdoor trees, shrubs, or plants, regardless of the number of incidents of loss or damage or the number of premises, locations or outdoor trees, shrubs, or plants involved. If loss payment for the first loss incident does not exhaust this sub-limit, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to a loss incident which begins in one policy year and continues or results in additional loss or damage in the immediately following policy year, all loss or damage is considered to be sustained in the policy year in which the loss incident began.

11. Personal Property of Others Including Employees

The "Company" will pay for direct physical loss or damage to "Personal Property Of Others Including Employees" caused by or resulting from a Covered Cause of Loss at the premises described in the **Property Insurance Coverage Declarations**. However, this additional coverage excludes direct physical loss or damage caused by:

- a. Theft; or
- b. Disappearance with no physical evidence of break-in to the premises, room, locker, cabinet, or container in which the personal property other others, including employees of the "Association", was kept.

"Personal Property Of Others Including Employees" of the "Association", is valued on the same basis as personal property owned by the "Association", but the most the "Company" will pay for any one loss incident is \$25,000.

12. Personal Property at Another Location

a. The "Company" will pay for direct physical loss or damage to covered personal property owned by the "Association" while it is away from the premises described in the **Property Insurance Coverage Declarations** and lost or damaged by a Covered Cause of Loss, if it is:

- (1) Temporarily at a location the "Association" does not own or lease or operate, other than at a bailee; or
- (2) In storage at a location leased by the "Association", provided the lease was executed after the beginning of the current policy term.

However, this additional coverage does not apply to such personal property located in or on a vehicle or in the care, custody or control of the "Association's" salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

- b. The sub-limit for this additional coverage is \$25,000 for any one loss incident, regardless of the number of items lost or damaged and the number locations where the property is located.
- c. The sub-limit for this additional coverage is \$25,000 for any one loss incident, regardless of the number of items lost or damaged and the number locations where the property is located.
- d. The sub-limit for this additional coverage is \$25,000 for any one loss incident, regardless of the number of items lost or damaged and the number locations where the property is located.

13. Pollutant Clean Up and Removal

When caused by or resulting from a Covered Cause of Loss, the "Company" will provide coverage for the reasonable and necessary expenses incurred due to "Pollutant Clean Up and Removal". This additional coverage will only be provided if the expenses are reported to the "Company" in writing within 180 days of the date on which the Caused Cause of Loss occurs.

14. Pollutant Clean Up and Removal

When caused by or resulting from a Covered Cause of Loss, the "Company" will provide coverage for the reasonable and necessary expenses incurred due to "Pollutant Clean Up and Removal". This additional coverage will only be provided if the expenses are reported to the "Company" in writing within 180 days of the date on which the Caused Cause of Loss occurs.

The most the "Company" will pay under this Additional Coverage in any one policy year is \$25,000, regardless of the number of "Pollutant Clean Up and Removal" incidents or the number of premises or locations involved. If loss payment for the first incident does not exhaust this sub-limit, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to a "Pollutant Clean Up and Removal" incident which begins in one policy year and continues or results in additional loss or damage in the immediately following policy year, all loss or damage is considered to be sustained in the policy year in which the loss incident began.

15. Valuable Papers

When caused by or resulting from a Covered Cause of Loss, the "Company" will provide coverage for the cost to research, replace or restore the information on lost or damaged "Valuable Papers".

The "Company" will also provide coverage for the "Administrative Costs" incurred by the "Association" during the "Period of Restoration" when such costs would not have been incurred had been no direct physical loss or damage to the "Valuable Papers". The "Company" will not pay more than 25% of the amount of the "Valuable Papers" loss for these "Administrative Costs".

F. Specified Causes of Loss

1. Fire or lightning;
2. Wind;
3. Hail;
4. Aircraft;
5. Riot or civil commotion;
6. Vehicles designed, or registered for highway use;
7. Explosion;
8. Smoke
9. Vandalism or malicious mischief;
10. Sprinkler leakage;
11. Weight of ice, snow, or sleet; or
12. Falling objects.

G. Exclusions

The "Company" will not pay for loss or damage caused directly or indirectly, resulting from, or consisting of any of the following, unless coverage is specifically endorsed to this Coverage Form or described in the **Property Insurance Coverage Declarations**. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or any sequence to the loss or damage.

1. Ordinance or Law

Except as stated in Paragraph I.D. above, the enforcement of any ordinance or law:

- a. Regulating the construction, use or repair of any property; or
- b. Requiring the tearing down of any property, including the cost of removing its debris unless coverage is specifically endorsed to this Coverage Form.

2. War and Military Action

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign, or other authority using military personal or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against a. and b. above.

3. Governmental Action

Seizure or destruction of or damage to property by order of governmental authority or by governmental action, including governmental acts or decisions, planning, design, materials or maintenance.

But the "Company" will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread.

4. Nuclear Hazard

Any nuclear reaction or radiation or radioactive contamination, however caused.

But if nuclear reaction or radiation or radioactive contamination results in fire the "Company" will pay for loss or damage resulting from such fire.

5. Dishonesty

Any act or omission that is dishonest, fraudulent, or criminal by nature and that is committed by or at the command of the "Association" or by or at the command of an officer, director, trustee, member, shareholder, partner, employee, property manager, property manager's employee, or by anyone authorized to act for the "Association".

This exclusion does not apply to:

- a. Acts of vandalism; or
- b. Acts committed by carriers for hire or anyone claiming to be a carrier for hire.

6. Wear and Tear

Wear and tear, dry and/or wet rot, rust, corrosion, decay, color fading, hidden or latent defect, gradual deterioration or any quality in the property that causes it to damage or destroy itself.

This exclusion does not apply to any ensuing loss or damage caused by a Specified Cause of Loss.

7. **Planning, Design, Materials or Maintenance**

Faulty, inadequate, negligent, or defective:

- a. Planning, zoning, development, surveying, siting;
- b. Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- c. Materials used in repair, construction, renovation or remodeling; or
- d. Maintenance;

of or to any part or all of any property on or off the described premises.

This exclusion does not apply to any ensuing loss or damage to Covered Property caused by a Specified Cause of Loss.

8. **Mistakes**

Errors in systems programming or errors resulting in damage to personal property or "Personal Property Of Others Including Employees" or the "Association's" property manager, being worked on, altered or repaired if the loss or damage results from that work.

This exclusion does not apply to:

- a. Any ensuing loss or ensuing damage to Covered Property by a Specified Cause of Loss; or
- b. "Accounts Receivable", "Valuable Papers", or "Fine Arts".

9. **Insects or Vermin**

Any insects, vermin, birds, rodents or other animals. This exclusion does not apply to any ensuing loss or ensuing damage to Covered Property by a Specified Cause of Loss.

10. **Earth Movement**

- a. Earthquake, including tectonic and other naturally generated movement of land;
- b. Earth sinking, rising, or shifting of the ground; or
- c. Landslide, subsidence, and/or volcanic action, including ground or airborne shock waves, pyrotechnic blasts or waves, lava, and ash, dust, debris and/or particulate generated from a volcano emission or eruption.

This exclusion does not apply to any ensuing loss or ensuing damage by a Specified Cause of Loss.

For purposes of this exclusion, a loss is defined as damage to any premises described in the **Property Insurance Coverage Declarations** that occurs within 72 hours following the inception of the peril event identified in this exclusion.

11. **Water Damage**

- a. Waves, tidal water or tidal wave, the rising, overflowing or breaking of boundaries of lakes, reservoirs, rivers, streams, or other bodies of water, whether driven by wind or not;
- b. Mudslide or mudflow; or
- c. Water under the ground surface pressing on or flowing or seeping through:
 - (1) Foundations, walls, floors, or paved surfaces;
 - (2) Basements, whether paved or not; or
 - (3) Doors, windows, or other openings;

This exclusion does not apply to any ensuing loss or damage caused by or resulting from a Specified Cause of Loss. For purposes of this exclusion, a loss is defined as damage to all insured locations that occurs within 72 hours following the inception of the peril event identified in this exclusion.

12. Pollution

Discharge, dispersal, seepage, migration, release or escape of "Pollutants" unless such Discharge, dispersal, seepage, migration, release or escape is itself caused by a Specified Cause of Loss.

13. Settling

Settling, cracking, shrinkage or expansion of:

- a. Pavements
- b. Foundations;
- c. Walls;
- d. Floors;
- e. Ceilings; or
- f. Swimming pools.

This exclusion does not apply to any ensuing loss or damage caused by or resulting from a Specified Cause of Loss.

14. Theft

Mysterious disappearance, inventory shortage, theft of property while unattended in or on any vehicle or trailer, unless:

- a. The property is contained in a securely locked body or compartment of the vehicle; and
- b. There are visible marks of forced entry.

15. Electrical Arcing

Electric arcing to property.

16. Mechanical Breakdown

Mechanical breakdown of Covered Property, Electronic Data Processing Equipment or Electronic Data Processing Media.

This exclusion does not apply to an ensuing loss or damage which results to other Covered Property any ensuing loss or which is caused by Specified Cause of Loss.

17. Boiler

- a. Loss or damage to any boiler, steam pipe, steam turbine, or steam engine the "Association" owns, operate, or lease by any condition or event within that boiler, steam pipe, steam turbine, or steam engine; or
- b. Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any non-explosion condition or non-explosion event inside such boilers or equipment.

18. Collapse

"Collapse" of buildings or personal property except as expressly provided below.

- a. The "Company" will pay for direct physical loss or damage to Covered Buildings caused by a "Collapse" which occurs as a result of one or more of the following:

- (1) Fire, lightning, wind or hail, explosion, aircraft, vehicles, falling objects, malicious mischief, leakage from fire extinguishing equipment, water damage (not otherwise excluded), or the abrupt falling down or caving in of its foundation or the foundation of one or more adjacent buildings or structures provided that such abrupt falling down or caving in is not caused by a peril otherwise excluded;
- (2) Building decay or insect or vermin damage that is hidden from view, unless the presence of such decay is known to the "insured";
- (3) Weight of ice, snow, sleet, or rain which collects on a roof;
- (4) Weight of contents, equipment, animals or people within a building;
- (5) Use of defective materials or methods in construction, remodeling, or renovation if the "Collapse" occurs during the course of construction, remodeling, or renovation to the "Association's" premises.

- b. The "Company" will pay for loss or damage to Covered Personal Property directly caused by or resulting from "Collapse" of a building or structure that is insured under this Coverage Form.

19. Fungus, Wet Rot, Dry Rot and Bacteria

The "Company" will not pay for loss or damage consisting of, caused by, or resulting from, directly or indirectly, regardless of any other cause or event that contributes concurrently or in any sequence to the loss, the presence, growth, proliferation, spread or any activity of "Fungus", wet or dry rot, or bacteria.

This exclusion does not apply:

- a. When "Fungus", wet or dry rot, or bacteria results from fire or lightning; or
- b. To the extent that coverage is provided in the Limitations for "Fungus", Wet or Dry Rot, and Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

20. Acts Or Decisions

Acts, decisions, errors or omissions, including the failure to act or decide, by any person, group, organization, entity, or governmental body.

21. Lead and Asbestos

Any loss or damage caused by, resulting from, or consisting of the presence of lead or asbestos in any form, or as a component of any type of Covered Property, at the premises described in the **Property Insurance Coverage Declarations**.

22. Virus Or Bacteria

- a. We will not pay for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.

- b. With respect to any loss or damage subject to the exclusion, such exclusion supersedes any exclusion relating to "pollutants".
- c. The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
 - (1) Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
 - (2) Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- d. The terms of the exclusion or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

23. Cannabis

Coverage under this Policy does not apply to that part of Business Income loss and/or Extra Expense incurred, due to a "suspension" of your "operations", which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis".

H. Additional Limited Coverages

1. Burglary or Hijack

The most the "Company" will pay for direct physical loss or damage by burglary or hijack of furs, gems, watches, precious metals or alloys is \$10,000 for any one loss

2. Fungus, Wet Rot, Dry Rot and Bacteria

a. This Limited Coverage applies only when the "Fungus", wet or dry rot, or bacteria is caused by or the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.

The "Company" will pay for loss or damage by "Fungus", wet or dry rot, or bacteria. As described in this Limited Coverage, the term loss or damage means:

- (1) Direct physical loss or damage to Covered Property caused by, resulting from, or consisting of "Fungus", wet or dry rot, or bacteria, including the cost of removal of the "Fungus", wet or dry rot, or bacteria;
- (2) The cost to tear out and replace any part of the building or other property as needed to gain access to the "Fungus", wet or dry rot, or bacteria; and
- (3) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is evidence that "Fungus", wet or dry rot, or bacteria are present.

The amount the "Company" shall pay under this Limited Coverage for loss under any one policy year shall not exceed \$15,000, regardless of the number of claims or losses made, claimants who present claims or losses, or incidences in which "Fungus", wet or dry rot, and/or bacteria appear at or in the premises described in the **Property Insurance Coverage Declarations** and cause damage to Covered Property. The limit applicable to this Limited Coverage will continue to only apply to the policy year in which the "Fungus", wet or dry rot, or bacteria first manifests, even in if the "Fungus", wet or dry rot, or bacteria continues to be present or active, or recurs in a subsequent policy period.

The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular loss results in loss or damage by "Fungus", wet or dry rot, or bacteria, and other loss or damage by a different Covered Cause of Loss, the "Company" will not pay more for the total of all loss or damage than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property not caused by, consisting of, or resulting from "Fungus", wet or dry rot, or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "Fungus", wet or dry rot, or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

b. The following applies only if "Business Income" and "Extra Expense" coverage applies to the described premises and only if the suspension of "Operations" satisfies all terms and conditions of the "Business Income" and "Extra Expense" coverage:

- (1) If the loss which was caused by, consisted of, or resulted from "Fungus", wet or dry rot, or bacteria does not in itself necessitate a suspension of "Operations", but such suspension is necessary due to loss or damage to Covered Property caused by or resulting from "Fungus", wet or dry rot, or bacteria, then the "Company's" payment under "Business Income" and/or "Extra Expense" is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
 - (2) If a covered suspension of "Operations" was caused by loss or damage other than "Fungus", wet or dry rot, or bacteria but remediation of "Fungus", wet or dry rot, or bacteria prolongs the "Period Of Restoration", the "Company" will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "Period Of Restoration"), but such coverage extension is limited to 30 days. The days need not be consecutive.
- c. If Ordinance Or Law Coverage applies with respect to Property Damage or "Business Income" and "Extra Expense", the "Company" will not pay under the Ordinance Or Law Coverage for:
- (1) Loss, damage or expense sustained due to the enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to the presence, growth, proliferation, spread or any activity of "Fungus", wet or dry rot, or bacteria; or
 - (2) The costs associated with the enforcement of any ordinance or law which requires any "insured" or others to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize, or in any way respond to, or assess the effects of "Fungus", wet or dry rot, or bacteria.

II. LIMITS OF INSURANCE

- A. The most the "Company" will pay for direct physical loss or damage for any one Covered Cause of Loss is the amount of the loss, not to exceed either an applicable Limit of Insurance or a Replacement Guarantee as stated in the **Property Insurance Coverage Declarations**.
- B. The Limits applicable to the various Additional Coverages are in addition to the Limits of Insurance shown in the **Property Insurance Coverage Declarations**. Except as specified under Paragraph I.E. **Additional Coverages**, the most the "Company" will pay for Additional Coverages is a combined Limit of Insurance of \$500,000 for any one loss and in the aggregate for any one policy year and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the **Property Insurance Coverage Declarations**, unless the policy period is extended after issuance for an additional period of less than 12 months.

The per claim and aggregate Limit of Insurance for Additional Coverages shall apply regardless of the number of:

1. Incidents in which an Additional Coverage loss or damage claim is made;
2. "Insureds" making claim;
3. Premises or locations involved; and
4. Additional Coverages to which the claim or loss may apply.

If the policy period is extended after policy issuance for an additional period of less than 12 months, the additional period will be deemed part of the last preceding 12 month period for purposes of determining the Limits of Insurance for Additional Coverages. With respect to any loss or damage claim made for any or all Additional Coverages which begins in one policy year and continues or results in ongoing loss or damage in the immediately following policy year, all such Additional Coverage claims are deemed to be sustained in the policy year in which the Additional Coverage loss or damage began. This Limit of Insurance is in addition to the Limits of Insurance stated in the **Property Insurance Coverage Declarations**.

III. DEDUCTIBLE

The "Company" will pay the amount of direct physical loss or damage in excess of the deductible amount stated in the **Property Insurance Coverage Declarations** or elsewhere in the Coverage Form. The deductible amount applies separately to each loss. If two or more deductibles apply to the same loss, only the largest single deductible will apply, unless otherwise stated.

IV. VALUATION

A. Buildings

1. "Replacement Cost" basis will be used to value every Building, unless Replacement Guarantee is shown in the **Property Insurance Coverage Declarations**.
2. If a Building is repaired or rebuilt by the "Association" as soon as reasonably possible, the "Company" will not pay more for loss or damage on a "Replacement Cost" basis than the least of:
 - a. The Limit of Insurance applicable to the lost or damaged property;
 - b. The cost to replace the lost or damaged property, on the same or other premises, with other property of like material and quality and used for the same purpose; or
 - c. The actual amount spent by the "Association" to repair or rebuild the lost or damaged property.
3. If Replacement Guarantee is shown in the **Property Insurance Coverage Declarations**, the "Company" will pay no more than the lesser of **2.a.** or **2.b.** above, regardless of the amount used as the rating base for the Limit of Insurance. The Replacement Guarantee contingent upon the following:
 - a. The "Company" is authorized by the "Association" on each anniversary date after the policy inception to make changes in the premium for Building Coverages based upon the "Company's" valuation, so that the rating base for the Building Coverage equals the full "Replacement Cost" of the building as of that date.
 - b. The cost of any "Association" owned additions and alterations made during the policy term which increases the "Replacement Cost" of the building by \$250,000 or more are reported to the "Company" by the Company. This report shall be provided to the "Company" in writing within 90 days after completion of any addition and/or alteration to Covered Property.
 - c. The "Association" then must purchase an additional amount of insurance for the Building Coverage equal to the cost of the additions and alterations immediately upon reporting these additions and alterations, with premium to be charged as of the date the construction of the addition or alteration began.
 - d. When requested by the "Company", the "Association" will provide the "Company" with the bills, receipts, invoices, or any other evidence or payment or debit with respect to the costs of the addition or alteration and allow the "Company" to audit the costs of any construction or remodeling performed by or for the "Association" during the time the policy is in force.

B. Personal Property

Personal Property that has been replaced after a Covered Cause of Loss is valued on a "Replacement Cost" basis or, if so stated in the **Property Insurance Coverage Declarations**, on a Replacement Guarantee basis. The valuation of Personal Property includes the cost of identifying and reconditioning damaged Covered Personal Property. Personal property lost or damaged by a Covered Cause of Loss and not actually replaced or repaired is valued on an actual cash value basis of "Replacement Cost" minus any physical depreciation.

C. Actual Cash Value

When Covered Property has not been repaired, rebuilt, or replaced, it will be valued at its actual cash value ("Replacement Cost" minus the value of physical depreciation to the property) as of the date of loss. If loss is paid on an actual cash value basis and the "Company" is informed, in writing, within 12 months from the inception of the loss the property will be repaired, rebuilt, or replaced, the "Company" will pay the "Association", after the property is actually repaired, rebuilt, or replaced and subject to the Conditions of this insurance, the difference between actual cash value and "Replacement Cost" of the property.

D. Business Income and Extra Expense

"Business Income" loss payment will be determined as follows.

1. The valuation of a "Business Income" loss is determined by:
 - a. The net income of the "Association's" business prior to the occurrence of any direct physical loss or damage;
 - b. The probable net income of the "Association's" business had there not been any direct physical loss or damage;
 - c. The operation expenses, including the "Association's" "Ordinary Payroll" expenses, needed to resume "Operations" with the same quality of service that existed immediately prior to such direct physical loss or damage
 - d. Any other relevant sources of information including:
 - (1) The financial records accounting procedures of the "Association";
 - (2) Bills, invoices and other vouchers; and
 - (3) Deeds, liens and contracts.
2. The valuation of an "Extra Expense" loss is determined by:
 - a. Any expenses in addition to the average operation expenses that would have been incurred by "Operations" during the "Period of Restoration" if no direct physical loss or damage had occurred. However, the following will be deducted during the valuation of such expenses:
 - (1) The remaining salvage value of any property bought for temporary use during "Period Of Restoration", once "Operations" are resumed; and
 - (2) Any "Extra Expense" that is paid for by other insurance;
 - b. All necessary expenses that reduce the "Business Income" loss that otherwise would have been incurred.
3. The "Association's" "Business Income" loss payment, other than "Extra Expense", will be reduced to the extent the "Association" can resume its "Operations", in whole or in part, by using damaged or undamaged property, including merchandise or stock, at the described premises or elsewhere.

E. Accounts Receivable, Valuable Papers and Electronic Media

"Accounts Receivable", "Valuable Papers" and records, negatives, transparencies, tapes and print are valued based on the actual cost of blank materials, including electronic data processing media, but not prepackaged software programs, plus, if copied, the expense of copying data onto blank material.

F. Accounts Receivable

"Accounts Receivable" is valued as follows.

1. When the "Association" cannot accurately establish the amount of "Accounts Receivables" outstanding at the time of a loss from a Covered Cause of Loss, the amount of the loss will be based on the latest statement of monthly values and will be computed as follows:
 - a. Determine the amount of all outstanding "Accounts Receivable" at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
 - b. Determine the percentage of increase or decrease in the "Association's" income from assessments, fees, fines, and charges for the 12 fiscal months immediately preceding the month in which the loss occurred against the 12 months prior to the period determined in **IV.F.1.a.** above;

- c. The total amount of "Accounts Receivable" as of the last day of the fiscal month in which the loss occurs will be the amount determined in Step a. plus or minus the percentage as determined in **IV.F.1.b.** above.; and
 - d. The established monthly amount of "Accounts Receivable" will be adjusted for the normal fluctuation in the amount of "Accounts Receivable" in the fiscal month in which the loss occurs.
2. The total amount of "Accounts Receivable" determined by the "Company" will be deducted by:
 - a. The amount of any accounts not lost or damaged, as evidenced by records;
 - b. Any other amounts the "Association" is able to establish or collect; and
 - c. An amount to allow for probable bad debts which normally would not have been collected by the "Association".
 3. If any amount of "Accounts Receivable" that were included in the amount of the paid loss is recovered by the "Association", it will return this amount to the "Company", up to the total amount of the paid loss. The "Association" may retain any amount of any "Accounts Receivable" recovered in excess of the amount the "Company" paid for the loss.

G. Outdoor Trees, Shrubs, and Plants

When outdoor trees, shrubs, plants are replaced, they are valued on a "Replacement Cost" basis; otherwise they are valued on an actual cash value basis.

H. Valuable Papers

"Valuable Papers" are valued based on the full cost of replacement or reproduction when actually replaced or reproduced; otherwise they are valued on the value of blank media.

I. Electronic Data Processing Equipment

"Electronic Data Processing Equipment" is valued on a "Replacement Cost" basis when actually repaired or replaced; otherwise it is valued on an actual cost basis.

J. Fine Arts

1. "Fine Arts" are valued at the market value at the time of loss.
2. When the damaged article is part of a pair or set, the owner may choose one of the following methods of loss payment the "Company" will pay:
 - a. The market value of the entire pair or set. The owner will return to the "Company" the remaining pieces;
 - b. The cost to repair the damaged pieces and the owner will keep the undamaged pieces. If the pair or set, with the repaired pieces, has a lower value than it had prior to the loss, the "Company" will also pay the difference. In no event will the "Company" pay more than the value the pair or set had prior to the loss; or
 - c. The market value of the lost or damaged pieces prior to the loss when the pieces cannot be found or repaired. The owner will keep the undamaged pieces. If the remaining pieces have a reduced value, the "Company" will pay the difference between the value of the remaining pieces prior to the loss and after the loss. In no event will the "Company" pay more than the value the pair or set had prior to the loss.

V. CONDITIONS

A. Coverage Territory

This insurance will provide coverage:

1. Anywhere within and between the continental United States of America and in Canada, excluding inter-coastal shipments to or from Alaska; and;
2. Anywhere in and in transit within:
 - a. The state of Hawaii;
 - b. Puerto Rico; and
 - c. Territories or possessions of the United States of America.

B. No Benefit to Carrier or Bailee

No person or organization, other than the "Association", having custody of insured property may benefit from this insurance.

C. Abandonment

There can be no abandonment of any property to the "Company".

D. Duties in the Event of Occurrence or Claim

1. The "Association" must see that the following are done in the event of loss or damage to Covered Property:
 - a. Notify the police if a law may have been broken and press charges if criminal activity is involved.
 - b. Give the "Company", or one of the "Company's" authorized representatives, prompt notice of the loss or damage along with a description of the property involved. The notice should also include a description of how, when and where the loss occurred along with the names and addresses of available witnesses.
 - c. Permit the "Company" to inspect any property and records relevant to the loss or damage, relevance to be deemed solely by the "Company". Also permit the "Company" to take samples of damaged property for inspection, testing, and analysis.
 - d. Take every reasonable step to protect Covered Property from further damage. If possible, separate damaged property from undamaged property. Make reasonable repairs where necessary for such protection and separation, and keep a record of the repair expenses incurred for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
 - e. Cooperate with the "Company" in the investigation, settlement or handling of any claim.
 - f. File with the "Company", or with the "Company's" authorized representative, any requested sworn proof of loss within 90 days after the "Company's" request.
2. The "Association" must permit the "Company" to examine any of the "Association's" employees under oath whenever the "Company's" investigation deems necessary. At the "Company's" request, the "Association" and "Association's" employee must sign any statement given to the "Company's" representative.
3. Failure of an agent or one of the "Association's" employees, other than an officer, director, board member, trustee, property manager, or an employee of the property manager, to promptly notify the "Company" of any loss or damage to Covered Property that he knows about will not affect coverage provided to the "Association" by this Coverage Form.

E. Loss Payment

1. In the event of loss or damage covered by this insurance, the "Company" will either:
 - a. Pay the value of lost or damaged property;
 - b. Pay the necessary cost of repairing or replacing the lost or damaged property, plus any reduction in value of repaired items;
 - c. Take all or any part of the property at an agreed or appraised value; or
 - d. Repair, rebuild or replace the property, as the "Company" and the "insured" agree is necessary and appropriate, with material and equipment of like kind and quality.
2. The "Company" will give notice of the "Company's" intentions within 30 days after the "Company" receives the sworn statement of loss.
3. The "Company" will not pay any property owner or any other person or entity more than his financial interest in the Covered Property.
4. The "Company" may adjust any loss with the owner of lost or damaged property if other than an "insured". If the "Company" pays the owner, such payment will satisfy the relevant "insured's" claims against the "Company" for the owner's property. The "Company" will not pay the owner more than his financial interest in the Covered Property.
5. The "Company" may elect to defend any "insured" against suits arising from a claim by an owner of lost or damaged Covered Property. If the "Company" so elects, the "Company" will do this at its own expense.
6. The "Company" may pay a reward, for an amount determined by it, for new information leading to a conviction in connection with a Covered Cause of Loss resulting from arson, vandalism or a deliberate and malicious act.
7. The "Company" will pay for covered loss or damage within 30 days after the "Company" receives a Sworn Statement in Proof of Loss, if:
 - a. any involved "insured" has complied with all the terms of this insurance; and
 - b. (1) The "Company" have reached agreement with any involved "insured", property owner, or other person having an insurable interest in the lost or damaged property on the amount of loss; or
(2) An appraisal award has been made, and the "Company" does not contest coverage.

F. Mortgage holders

1. The term mortgage holder includes trustee.
2. The "Company" will pay for covered loss of or damage to buildings or structures to each mortgage holder shown in the **Property Insurance Coverage Declarations** in their order of precedence, as their interests may appear.
3. The mortgage holder has the right to receive loss payment even if the mortgage holder started foreclosure or similar action on the covered building or structure prior to the inception of the loss.
4. If the "Company" denies the "Association's" claim because of the "Association's" acts or because the "Association" failed to comply with the terms of this Coverage Form, the mortgage holder will still have the right to receive loss payment if the mortgage holder:
 - a. Pays any premium due under this Coverage Form at the "Company's" request if the "Association" or cooperative have failed to do so;

- b. Submits a signed, sworn proof of loss within 60 days after receiving notice from the "Company" of the "Association's" or cooperative's failure to do so; and
- c. Has notified the "Company" of any change in ownership, occupancy, or substantial change in risk known to the mortgage holder.

All of the terms of this Coverage Form will then apply directly to the mortgage holder.

5. If the "Company" pays the mortgage holder for any loss or damage and deny payment to the "Association" because of the "Association's" acts or because the "Association" failed to comply with the terms of this Coverage Form:
 - a. The mortgage holder's rights under the mortgage will be transferred to the "Company" to the extent of the amount the "Company" pays; and
 - b. The mortgage holder's right to recover the full amount of the mortgage holder's claim will not be impaired. At the "Company's" option, the "Company" may pay to the mortgage holder the whole principal on the mortgage plus any accrued interest. In this event, the "Association's" mortgage and note will be transferred to the "Company" and the "Association" will pay its remaining mortgage debt to the "Company".
6. If the "Company" cancels this Coverage Form, the "Company" will give written notice to the mortgage holder at least:
 - a. 10 days before the effective date of cancellation if the "Company" cancels for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if the "Company" cancels for any other reason.
7. If the "Company" elects not to renew this Coverage Form, the "Company" will give written notice to the mortgage holder at least 10 days before the expiration date of this Coverage Form.

G. Loss Payable - Other Than Buildings

When both an "insured" and a Loss Payee, as shown in the **Property Insurance Coverage Declarations**, have an insurable interest in Covered Property the "Company" will:

1. Adjust any loss with the "insured"; and
2. Pay any claim for loss or damage jointly to the "insured" and to the Loss Payee, as each respective interest may appear.

H. Appraisal

If the "Company" and an "insured" do not agree on the amount of a loss, either may make a written demand for an appraisal of the loss. In this event, each party will select and pay a competent and impartial appraiser. The two appraisers will select an umpire. If the appraisers cannot agree on an umpire, either may request that that selection be made by a judge of court having jurisdiction. The appraisers will separately state the amount of net income and operation expense, the value of the property and the amount of the loss. If the appraisers do not agree, they will submit their statements to the umpire. Agreement by any two on the amount of a loss will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Equally share any other appraisal expenses and the expenses of the umpire.

Even though the "Company" may submit to an appraisal, the "Company" retains its right to deny the claim

I. Other Insurance

1. If an "insured" has other insurance that provides coverage for a loss covered by this Coverage Form, the "Company" shall not be liable for a greater proportion of the loss than the applicable Limit of Insurance under this Coverage Form bears to the total applicable Limit of Insurance of all insurance against such loss.
2. If a unit owner has other insurance covering the same property covered by this Coverage Form, the insurance afforded by this Coverage Form shall be primary, not contributing with or in excess to such other insurance.

J. Recovery1. If either an "insured" or the "Company" recovers any property after loss settlement, that party must give the other prompt notice. At the "insured's" option, the property will be returned to the "insured". The "insured" must then return to the "Company" the amount the "Company" paid to the "insured" for the property. The "Company" will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

2. If recovery is obtained of any of the amount of "Assessment Fees Receivable", and that amount was included in the amount of the paid loss, the "Association" must return the recovered amount to the "Company", up to the total amount of the paid loss. The "Association" may retain any amount of any "Assessment Fees Receivable" recovered in excess of the amount the "Company" paid for the loss. Any rights that the "Association" may possess to recover and to enforce collection of "Assessment Fees Receivable" are transferred to the "Company". The "Association" may not waive its rights to recover "Assessment Fees Receivable" for which the "Company" has made payment without the "Company's" written permission.

K. Transfer Of Rights Of Recovery Against Others To The "Company"

If any person or organization to or for whom the "Company" makes payment under this insurance has any right to recover damages from another person or organization, those rights are transferred to the "Company" to the extent of the "Company's" payment. The person or organization to or for whom the "Company" makes payment must do everything necessary to secure the "Company's" rights and must do nothing after loss to impair to the "Company's" rights. The "Association" may waive its rights against another party, if waived in writing prior to loss to Covered Property. This will not restrict the "Association's" insurance.

L. Legal Action Against The "Company"

No legal action may be brought against the "Company" until there has been full compliance with all terms of this insurance.

Any legal action against the "Company" must be started within one year after the inception of loss.

No person or organization has any right under this insurance to bring the "Company" into any action to determine the liability of any "insured".

VI. DEFINITIONS

When used with respect to insurance under this Coverage Form:

A. "Accounts Receivable" means all amounts due to the "Association" that is unable to collect from unit owners, shareholders, members, or tenants as the result of loss or damage to the "Association's" "Accounts Receivable" records including those on electronic data processing media.

"Accounts Receivable" includes:

1. Interest charges on any loan that the "Association" secures to offset its reduced cash flow;
2. Additional collection costs that arise as a result of the loss; and
3. Reasonable expenses incurred to re-establish the "Association's" "Accounts Receivable" records.

B. "Administrative Costs" means any reasonable Extra Expense" incurred by the "Association" while recreating, repairing, replacing or reproducing lost, damage or destroyed Covered Property.

C. "Assessment Fees Receivable" means those sums which are due to the "Association" as maintenance or other assessment fees, fines, or other charges required to be paid by the individual unit owner(s), shareholder(s), member(s), or tenant(s) of the unit or shareholder, and which:

1. The "Association" has been unable to collect, despite its best efforts; and
2. Are the result of direct physical damage from a Covered Cause of Loss to Covered Property which has rendered the unit(s) owned by the unit owner(s), shareholder(s), or member(s), or their tenant(s) untenantable.

However, "Assessment Fees Receivable" does not include "Rent" or any payment for any financing provided by the "Association".

D. "Association" means the homeowners', condominium, or townhouse "Association" or cooperative corporation

Listed as the Named Insured in the **Property Insurance Coverage Declarations**. The "Association" does not include any developer, or any partner or member of the developer.

E. "Business Income" means:

1. Net income (net profit or loss prior to the deduction of income taxes), exclusive of any "Rent" income, that would have been earned or incurred by the "Association"; and
2. The "Association's" ongoing ordinary operating expenses incurred, excluding "Ordinary Payroll".

F. "Cannabis":

1. Means: Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph F.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:

a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

b. Any compound, by-product, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible cannabis; whether or not derived from any plant or part of any plant set forth in Paragraph F.2.a.

G. "Collapse"

Within respect to a building or structure:

1. "Collapse" means an abrupt falling down or caving in of a building or structure or any part of a building or structure with the result that the building or structure or a part thereof cannot be occupied for its intended purpose.
2. A building or structure or any part thereof that is in danger of falling down or caving in is not considered or deemed to be in a state of "Collapse".
3. A part of a building or structure that is standing is not considered to be in a state of "Collapse", even if it has separated from another part of the building.
4. A building or structure or part thereof that is standing is not considered to be in a state of "Collapse" even if it shows evidence of cracking, bulging, sagging, bending, leaning, shrinkage or expansion.

H. "Company" means the insurer providing the coverage afforded under this Coverage Form.

I. "Debris Removal" means any expense incurred to remove debris from the premises described in the **Property Insurance Coverage Declarations** and which is the result of a Covered Cause of Loss to Covered Property during the policy period.

- J. "Electronic Data Processing Equipment" means any data processing system while located at the premises described in the **Property Insurance Coverage Declarations** and includes any:
1. Equipment component parts;
 2. Related peripheral equipment component parts; and
 3. Related peripheral equipment including air conditioning and fire protective equipment used solely for data processing "Operations".

This definition does not include:

- a. Equipment held for sale or distribution;
 - b. Laptop or handheld "Electronic Data Processing Equipment".
- K. "Electronic Data Processing Media" means:
1. Punch cards, tapes, disc, drums cells, CD-ROMs, hard or floppy discs, and flash drives;
 2. Any other magnetic recording or storage devices including the information recorded on the media while located at the premises described in the **Property Insurance Coverage Declarations**; and
 3. The original source material used to enter data and/or program.
- L. "Extra Expense" means any necessary expenses the "Association" incurs during the Policy Period in an attempt to continue "Operations", and which are above the expenses that the "Association" would have incurred had there been no direct physical loss or damage to Covered Property by a Covered Cause of Loss.
- M. "Fine Arts" means paintings, sculptures, etchings, statues, drawings, numbered lithographs, ceramics, and other bona fide items of artistic merit while located, for primarily aesthetic purposes, at the premises described in the **Property Insurance Coverage Declarations**.
- N. "Fire Department Service Charges" means:
1. Charges the "Association" assumes by contract or agreement with a fire department or fire protection district prior to loss or damage; or
 2. Charges the "Association" is required to pay by local ordinance if the fire department is called to protect or save the "Association's" Covered Property from a Covered Cause of Loss.
- O. "Fungus" means any type or form of "Fungus", including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.
- P. "Insured" means "Association".
- Q. "Loss Preparation Removal" means the reasonable cost of removing Covered Property from the premises described in the **Property Insurance Coverage Declarations** to another premise, during the time the Policy is in force, in order to prevent or safeguard the Covered Property from loss or damage from an imminent Covered Cause of Loss.
- R. "Operations" means the usual and customary business activities of the "Association" occurring at the premises described in the **Property Insurance Coverage Declarations** prior to the loss or damage.
- S. "Ordinary Payroll" means payroll expenses for all employees of the "Association" except officers, board members, directors, property managers, and employees under contract. "Ordinary Payroll" includes payroll, employee benefits, if directly related to payroll, FICA payments, union dues; and workers' compensation premiums.

- T. "Period of Restoration" means the period of time that begins with:
1. The inception of the direct physical loss or damage at the described premises; or
 2. The date "Operations" would have begun if the direct physical loss or damage had not occurred, when loss or damage to any of the following delays the start of the "Operations" of:
 - a. New buildings whether complete or under construction;
 - b. Alteration or additions to existing buildings; or
 - c. Covered machinery, equipment, supplies or building materials used in the construction, alteration or additions.

"Period of Restoration" may continue until the "Operations" are returned to the condition that existed prior to the direct physical loss or damage including:

(1) Repairing, rebuilding or replacing the property at a premises stated in the **Property Insurance Coverage Declarations**;

(2) Time required to repair or reconstruct the lost or damaged property to comply with the minimum standards of any law that:

- (a) Regulates the construction or repair on any property;
- (b) Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss;
- (c) In force at the time of loss; and
- (d) Even after this insurance is terminated.

- U. "Personal Property of Others Including Employees" means personal property that is in the care, custody or control of the "Association", but is not owned by the "Association".
- V. "Personal Property at Another Location" means personal property owned by the "Association" that is located at any premises not described in the **Property Insurance Coverage Declarations**.
- W. "Pollutant" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, and waste, including waste materials to be recycled, reconditioned or reclaimed.
- X. "Pollutant Clean Up And Removal" means the "Association's" expense to extract "Pollutants" from land or water at the premises described in the **Property Insurance Coverage Declarations** due the discharge, dispersal, dissemination, seepage, migration, release or escape of "Pollutants" caused by or resulting from loss or damage to Covered Property from a Covered Cause of Loss that occurs during the policy period.
- Y. "Rent" means sum of:
1. Income from leases the cooperative corporation obtains from its shareholders and members from the premises described in the **Property Insurance Coverage Declarations**; or
 2. Income from that part of the "Association's" premises, other than units, houses, or townhouses, rented to others on occasion for any time period basis.
- Z. "Replacement Cost" means the full cost to repair or replace lost or damaged property with like kind and quality, but not more than is necessary to repair or replace the property at the same premises for the same use or occupancy. Under a "Replacement Cost" valuation there is no deduction for physical depreciation.

AA. "Vacant Building" means:

1. A building which does not include sufficient business personal property to conduct customary "Operations".

2. A building in which the owners of less than 25% of the total number of homes, units, or townhouses in the building are occupied;
3. No closings are completed for units or apartments sold in the building or leased to persons or entities other than to or by the developer of the "Association".
4. Currently constructed or renovated buildings, unless the only work remaining to be completed is punch list items and the requirements of paragraph 2. of this definition are met.

BB. "Valuable Papers" means "Valuable Papers", records, negatives, transparencies, tapes, proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems.

"Valuable Papers" does not mean:

1. Electronic Data Processing Media; or
2. Money and securities except as otherwise provided.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WINDSTORM OR HAIL PERCENTAGE DEDUCTIBLE

This endorsement modifies insurance provided under the following:

- BUILDERS RISK COVERAGE FORM
- BUILDING AND PERSONAL PROPERTY COVERAGE FORM
- CONDOMINIUM ASSOCIATION COVERAGE FORM
- CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
- STANDARD PROPERTY POLICY
- TOBACCO SALES WAREHOUSES COVERAGE FORM

SCHEDULE

Premises Number	Building Number	Windstorm or Hail Deductible Percentage Enter 1%, 2% or 5%
All	All	2%
Information required to complete this Scheduled, if not show above we be shown in the Declarations.		

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

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

As used in this endorsement, the terms "specific insurance" and "blanket insurance" have the following meanings: Specific insurance covers each item of insurance (for example, each building or personal property in a building) under a separate Limit of Insurance. Blanket insurance covers two or more items of insurance (for example, a building and personal property in that building, or two buildings) under a single Limit of Insurance. Items of insurance and corresponding Limit(s) Of Insurance are shown in the Declarations.

WINDSTORM OR HAIL DEDUCTIBLE CALCULATIONS

A. Calculation Of The Deductible - All Policies

1. A Deductible is calculated separately for, and applies separately to:
 - a. Each building that sustains loss or damage;
 - b. The personal property at each building at which there is loss or damage to personal property; and
 - c. Personal property in the open.

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

2. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance, after any reduction required by any of the following: Coinsurance Condition; Agreed Value Optional Coverage; or any provision in a Value Reporting Form relating to full reporting or failure to submit reports.

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

B. Calculation Of The Deductible – Specific Insurance Other than Builders’ Risk

1. Property Not Subject To Value Reporting Forms

In determining the amount, if any, That we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Scheduled) of the limit(s) of Insurance applicable to the property that has sustained loss of damage.

2. Property Subject To Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Schedule) of the value(s) of the property that has sustained loss or damage. The value(s) to be used is the latest value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the most recent Report of Values shows less than the full value(s) of the property on the report dates, we will determine the deductible amount as a percentage of the full value(s) as of the report dates.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the applicable Limit(s) of Insurance.

C. Calculation of the Deductible – Blanket Insurance Other Than Builders’ Risk

1. Property Not Subject to Value Reporting Forms

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Scheduled) of the Value(s) or the property that

has sustained loss or damage. The Values(S) to be used is that shown in the most recent Statement of values on file with us.

2. Property Subject to Value Reporting Forms

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2% or 5%(as shown in the Scheduled) of the values(s) of that property as of the time of loss or damage.

D. Calculation Of the Deductible – Builders’ Risk Insurance

1. Builders’ Risk Other Than Reporting Form

In determining the amount, if any, that we will pay for property that has sustained loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Scheduled) of the actual cash value(s) of that property as of the time of loss or damage.

2. Builders’ Risk Reporting Form

In determining the amount, if any, that we will pay for loss or damage, we will deduct an amount equal to 1%, 2% or 5% (as shown in the Scheduled) of the values) of the property that has sustained loss of damage. The value(s) to be used is the actual cash value(s) shown in the most recent Report of Values on file with us.

However:

- a. If the nose recent Report of Values shows less than the actual cash value(s) of the property on the report date, we will determine the deductible amount as a percentage of the actual cash Values(s) as of the report date.
- b. If the first Report of Values is not filed with us prior to loss or damage, we will determine the deductible amount as a percentage of the actual cash value(w) of the property as of the time of loss or damage.

Examples – Application of Deductible

Example 1 – Specific Insurance (B.1.)

The amount of loss to the damage building is \$60,000. The value of the damaged building at time of loss is \$100,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limit of Insurance needed to meet the Coinsurance Requirement is \$80,000 (80% of \$100,000).

The actual limit of Insurance on the damaged building is \$70,000

The Deductible is 1%

Step (1): $\$70,000 / \$80,000 = .875$

Step (2): $\$60,000 \times .875 = \$52,500$

Step (3): $\$70,000 \times 1\% = \700

Step (4): $\$52,500 - \$700 = \$51,800$

The most we will pay is \$51,800. The Remainder of the Loss, \$8,200, is not covered due to the Coinsurance penalty for inadequate insurance (Steps (1) and (2)) and the application of the Deductible (Steps(3) and (4)).

Example 2 – Specific Insurance (B.1.)

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

The Value of the damaged building at time of loss is \$100,000. The value of the personal property in the building is \$80,000. The Coinsurance percentage shown in the Declarations is 80%; the minimum Limits of Insurance needed to meet the Coinsurance requirement are \$80,000 (80% of \$100,000) for the building and \$64,000 (80% of \$80,000) for the Personal property.

The actual Limits of Insurance on the damaged property are \$80,000 on the building and \$64,000 on the personal property (therefore, no Coinsurance penalty).

The Deductible is 2%.

Building

Step(1): $\$80,00 \times 2\% = \$1,600$

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

Personal Property

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

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

The most we will pay is \$97,120. The portion of the total loss not covered due to application of the Deductible is \$2,880.

Example 3 – Blanket Insurance (C.1.)

The sum of the values of Building 1 (\$500,000), Building 2(\$500,000) and Building 3 (\$1,000,000), as shown in the most recent Statement of Values on file with us, is \$2,000,000.

The Coinsurance percentage show in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirement is \$1,800,000 (90% of \$2,000,000).

The actual Blanket Limit of Insurance covering Buildings, 1, 2 and 3, shown in the Declarations, is \$1,800,000 (therefore, no Coinsurance penalty).

Building 1 and 2 have sustained damage; the amounts of the loss to these buildings are \$40,000 (Building 1) and \$20,000 (Building2).

The Deductible is 2%

Building 1

Step (1): $\$500,000 \times 2\% = \$10,000$

Step (2) $\$40,000 - \$10,000 = \$30,000$

Building 2

Step (1) $\$500,000 \times 2\% = \$10,000$

Step (2): $\$20,000 - \$10,000 = \$10,000$

The most we will pay is \$40,000. The Portion of the total loss not covered due to the application of the Deductible is \$20,000

Example 4 – Blanket Insurance (C.1.)

The sum of the values of Building 1 (\$500,000), Building 2 (\$500,000), Personal Property at Building 1 (\$250,000) and Personal Property at Building 2 (\$250,000), as shown in the most recent Statement of Values on file with us, is \$1,500,000.

The Coinsurance percentage shown in the Declarations is 90%; the minimum Blanket Limit of Insurance needed to meet the Coinsurance requirements is \$1,350,000 (90% of \$1,500,000).

The actual Blanket Limit Of the Insurance coverage Buildings 1 and 2 and Personal Property at Buildings 1 and 2, shown in the Declarations , is \$1,350,000.

Therefore, there is no Coinsurance Penalty.

Building 1 and Personal Property ab Building 1 have sustained damage; the amounts of loss are \$95,000 (Building) and \$5,000 (Personal Property).

The Deductible is 5%

Building

Step (1): $\$500,000 \times 5\% = \$25,000$

Step (2): $\$95,000 - \$25,000 = \$70,000$

Personal Property

Step (1): $\$250,000 \times 5\% = \$12,500$

The loss, \$5,000, does not exceed the Deductible

The most we will pay is \$70,000. The remainder of the Building Loss, \$25,000 is not covered due to application of the Deductible. There is no loss payment for the personal property

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

RAIN AND WATER SEEPAGE EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

PROPERTY INSURANCE COVERAGE FORM

In consideration of the premium charged, it is agreed that we will not pay for any loss or damage:

- A.** Caused by or resulting from continuous or repeated seepage or leakage of water, or the presence or condensation of humidity, moisture or vapor, that occurs over a period of 14 days or more; or
- B.** To property, as described and limited in Paragraph **B.1.** below. In addition, the "Company" will not pay for any loss that is a consequence of loss or damage as described and limited in Paragraph **B.1.** below.
 - 1.** The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, unless:
 - a.** The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - b.** The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure; or
 - c.** The loss or damage is caused by or results from wind driven rain.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE SCHEDULE

This endorsement provides supplementary information to be used with the following as shown in the Schedule:

PROPERTY INSURANCE COVERAGE FORM

Equipment Breakdown Coverage is subject to the Limits of Insurance shown in the Declarations except as specifically shown below. These coverages apply to all locations covered on the policy, unless otherwise specified.

Coverages	Limits
Equipment Breakdown Limit	\$25,948,636
Business Income	Excluded
Extra Expense	Included
Expediting Expenses	\$ 250,000
Hazardous Substances	\$ 250,000
Spoilage	\$ 250,000
Data Restoration	\$ 250,000
Water Damage	\$ 250,000
Service Interruption	Combined with Extra Expense and Spoilage
Fungus, Wet Rot, Dry Rot and Bacteria	\$ 15,000

Deductibles

Combined, All Coverages	\$
Direct Coverages	\$ 10,000
Indirect Coverages	\$ or _____ hrs. or _____ times ADV
Spoilage	\$ or ___ % of loss, \$ ___ minimum

Other Conditions

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

PROPERTY INSURANCE COVERAGE FORM

A. The following is added to **E. Additional Coverages**:

Equipment Breakdown

The term Covered Cause of Loss includes the Additional Coverage Equipment Breakdown as described and limited below.

1. The "Company" will pay for direct physical damage to Covered Property that is the direct result of an "Accident." As used in this Additional Coverage, "Accident" means a fortuitous event that causes direct physical damage to "Covered Equipment." The event must be one of the following:
 - a. Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. Artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
 - c. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the "Association", or operated under the "Association's" control;
 - d. Loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - e. Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

2. Unless otherwise shown in the **Community Property Equipment Breakdown Schedule**, the following coverages also apply to the direct result of an "Accident." These coverages do not provide additional amounts of insurance.
 - a. **Expediting Expenses**

With respect to the "Association's" damaged Covered Property, the "Company" will pay the reasonable extra cost to:

 - (1) Make temporary repairs; and
 - (2) Expedite permanent repairs or permanent replacement.

The most the "Company" will pay for loss or expense under this coverage is \$250,000 unless otherwise shown in the **Community Property Equipment Breakdown Schedule**.
 - b. **Hazardous Substances**

The "Company" will pay the "Association's" additional cost to repair or replace Covered Property because of contamination by a "hazardous substance." This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of "Perishable Goods" by refrigerant, including but not limited to ammonia, which is addressed in **2.c.(1)(b)** below. As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "Hazardous Substance" been involved.

The most the "Company" will pay for loss, damage or expense under this coverage, including actual loss of "Business Income" the "Association" sustains and necessary "Extra Expense" the "Association" incurs, if shown as covered, is \$250,000 unless otherwise shown in the **Community Property Equipment Breakdown Schedule**.

- c. **Spoilage**
- (1) The "Company" will pay:
 - (a) For physical damage to "Perishable Goods" due to spoilage;
 - (b) For physical damage to "Perishable Goods" due to contamination from the release of refrigerant, including but not limited to ammonia;
 - (c) Any necessary expenses the "Association" incurs to reduce the amount of loss under this coverage to the extent that the "Association" does not exceed the amount of loss that otherwise would have been payable under this coverage.
 - (2) If the "Association" is unable to replace the "Perishable Goods" before its anticipated sale, the amount of the "Company's" payment will be determined on the basis of the sales price of the "Perishable Goods" at the time of the "Accident," less discounts and expenses the "Association" otherwise would have had. Otherwise the "Company" payment will be determined in accordance with the Valuation condition. The most the "Company" will pay for loss, damage or expense under this coverage is \$250,000 unless otherwise shown in the **Community Property Equipment Breakdown Schedule**.
- d. **Data Restoration**
- The "Company" will pay for the "Association's" reasonable and necessary cost to research, replace and restore lost "Data."
- The most the "Company" will pay for loss or expense under this coverage, including actual loss of "Business Income" the "Association" sustains and necessary "Extra Expense" the "Association" incurs, if shown as covered, is \$250,000 unless otherwise shown in the **Community Property Equipment Breakdown Schedule**.
- e. **Water Damage**
- The "Company" will pay for loss or damage caused by water as a result of an "Accident" to covered refrigerating or air conditioning vessels and piping.
- The most the "Company" will pay for loss or damage under this coverage, including salvage expense, actual loss of "Business Income" the "Association" sustain and necessary "Extra Expense" the "Association" incur, if shown as covered, and loss under spoilage coverage, is \$250,000 unless otherwise shown in the **Community Property Equipment Breakdown Schedule**.
- f. **Service Interruption**
- (1) Any insurance provided for "Business Income", "Extra Expense" or Spoilage is extended to apply to the "Association's" loss, damage or expense caused by the interruption of utility services. The interruption must result from an "Accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides the "Association" with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area networks or data transmission. The equipment must meet the definition of "Covered Equipment" except that it is not Covered Property.
 - (2) Unless otherwise shown in the **Community Property Equipment Breakdown Schedule**, Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "Accident." If the interruption exceeds 24 hours, coverage will begin at the time of the interruption, and the applicable deductible will apply.
 - (3) The most the "Company" will pay in any "One Accident" for loss, damage or expense under this coverage is the applicable limit for "Business Income", "Extra Expense" or Spoilage, except that if a limit is shown in the **Community Property Equipment Breakdown Schedule** for Service Interruption, that limit will apply to "Business Income" and "Extra Expense" loss under this coverage.

g. "Fungus," Wet Rot, Dry Rot And Bacteria

(1) The "Company" will pay the "Association's" additional cost to repair or replace Covered Property because of contamination by "Fungus," wet rot, dry rot or bacteria resulting from an "Accident." This includes the additional costs to clean up or dispose of such property. This does not include spoilage of personal property that is "Perishable Goods" to the extent that such spoilage is covered under Spoilage coverage.

(2) As used in this coverage, additional costs mean those beyond what would have been payable under this Equipment Breakdown Coverage had no "fungus," wet rot, dry rot or bacteria been involved.

(3) The "Company" will also pay the cost of testing performed after repair or replacement of the damaged Covered Property is completed only to the extent that there is reason to believe there is the presence of "fungus," wet rot, dry rot or bacteria.

(4) This coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.

(5) The most the "Company" will pay in any "one accident" for loss, damage or expense under this coverage, including actual loss of "Business Income" the "Association" sustains and necessary "Extra Expense" the "Association" incurs, if shown as covered, is \$15,000 unless otherwise shown in the **Community Property Equipment Breakdown Schedule** even if the "Fungus," wet rot, dry rot or bacteria continues to be present or active or recurs in a later policy period.

h. "Business Income" and "Extra Expense"

Any insurance provided under the coverage part for "Business Income" or "Extra Expense" is extended to the coverage provided by this endorsement. However, if a deductible is shown in the **Community Property Equipment Breakdown Schedule**, then as respects Equipment Breakdown coverage, the "Period of Restoration" will begin immediately after the "Accident," and the deductible shown in the **Community Property Equipment Breakdown Schedule** will apply. The most the "Company" will pay for loss or expense under this coverage is the applicable limit for "Business Income" and "Extra Expense," unless otherwise shown in the **Community Property Equipment Breakdown Schedule**.

3.EXCLUSIONS

All exclusions in the applicable Association and Community Excellence Program Property Insurance Coverage Form apply except as modified below and to the extent that coverage is specifically provided by this endorsement.

a. The following exclusions are modified:

(1) As respects this endorsement only, the last sentence of **Exclusion I.G.6. Wear and Tear, Exclusion I.G.7. Planning, Design, Material or Maintenance, Exclusion I.G.9. Insects or Vermin, Exclusion I.G.13. Settling** is deleted and replaced with the following:

However, if an "Accident" results, the "Company" will pay for the resulting loss, damage or expense caused by that "Accident."

(2) The following is added to **Exclusion I.G.11. Water Damage.:**

However, if electrical "Covered Equipment" requires drying out because of Water, the "Company" will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.

b. The following exclusions are added:

(1) The "Company" will not pay for loss, damage or expense caused by or resulting from:

(a) The "Association's" failure to use all reasonable means to protect Covered Property from damage following an "Accident";

(b) A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment; or

- (c) Any of the following:
 - (i) Defect, programming error, programming limitation, computer virus, malicious code, loss of "Data," loss of access, loss of use, loss of functionality or other condition within or involving "Data" or "Media" of any kind; or
 - (ii) Misalignment, miscalibration, tripping off-line, or any condition which can be corrected by resetting, tightening, adjusting or cleaning, or by the performance of maintenance.

However, if an "Accident" results, the "Company" will pay for the resulting loss, damage or expense caused by that "Accident."

- (2) With respect to Service Interruption coverage, the "Company" will also not pay for an "Accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically provided in **A.1.c.** above); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.
- (3) With respect to "Business Income", "Extra Expense" and Service Interruption coverages, the "Company" will also not pay for:
 - (a) Loss caused by the "Association's" failure to use due diligence and dispatch and all reasonable means to resume business; or
 - (b) Any increase in loss resulting from an agreement between the "Association" and the "Association's" customer or supplier.
- (4) Except as specifically provided under A.2.g. "Fungus," Wet Rot, Dry Rot And Bacteria coverage, the "Company" will not pay for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an "Accident": Any "Fungus," wet rot, dry rot or bacteria, including any presence, growth, proliferation, spread or any activity of "Fungus," wet rot, dry rot or bacteria. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such "Fungus," wet rot, dry rot or bacteria. However, this exclusion does not apply to spoilage of personal property that is "Perishable Goods," to the extent that such spoilage is covered under Spoilage coverage.
- (5) The "Company" will not pay for any loss or damage to animals.

4. DEFINITIONS

The following definitions are added:

- a. "Boilers and Vessels" means:
 - (1) Any boiler, including attached steam, condensate and feedwater piping; and
 - (2) Any fired or unfired pressure vessel subject to vacuum or internal pressure other than the static pressure of its contents.

This term does not appear elsewhere in this endorsement, but may appear in the **Community Property Equipment Breakdown Schedule**.
- b. "Covered Equipment"
 - (1) "Covered Equipment" means, unless otherwise specified in the **Community Property Equipment Breakdown Schedule**,
Covered Property:
 - (a) That generates, transmits or utilizes energy; or
 - (b) Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

"Covered Equipment" may utilize conventional design and technology or new or newly commercialized design and technology.
 - (2) None of the following is "Covered Equipment":
 - (a) Structure, foundation, cabinet or compartment;
 - (b) Insulating or refractory material;
 - (c) Sewer piping, buried vessels or piping, or piping forming a part of a sprinkler or fire suppression system;

- (d) Water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - (e) "Vehicle" or any equipment mounted on a "Vehicle";
 - (f) Satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - (g) Dragline, excavation or construction equipment; or
 - (h) Equipment manufactured by you for sale.
- c. "Data" means information or instructions stored in digital code capable of being processed by machinery.
 - d. "Hazardous Substance" means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
 - e. "Media" means material on which "Data" is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
 - f. "One Accident" means: If an initial "Accident" causes other "Accidents," all will be considered "One Accident." All "Accidents" that are the result of the same event will be considered "One Accident."
 - g. "Perishable Goods" means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
 - h. "Production Machinery" means any machine or apparatus that processes or produces a product intended for eventual sale. This includes all component parts of such machine or apparatus and any other equipment used exclusively with such machine or apparatus. However, "Production Machinery" does not mean any boiler, or fired or unfired pressure vessel. This term does not appear elsewhere in this endorsement, but may appear in the **Community Property Equipment Breakdown Schedule**.
 - i. "Vehicle" means, as respects this endorsement only, any machine or apparatus that is used for transportation or moves under its own power. "Vehicle" includes, but is not limited to: car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a "Vehicle."

B. The **Association and Community Excellence Program Property Insurance Coverage Form** is modified as follows. The definitions stated above also apply to section **B.** of this endorsement.

1. DEDUCTIBLE

The deductible in the **Property Insurance Coverage Declarations** applies unless a separate Equipment Breakdown deductible is shown in the **Community Property Equipment Breakdown Schedule**. If a separate Equipment Breakdown deductible is shown, the following applies.

Only as regards Equipment Breakdown Coverage, provision **III. DEDUCTIBLE** is deleted and replaced with the following:

a. Deductibles for Each Coverage

- (1) Unless the **Community Property Equipment Breakdown Schedule** indicates that the "Association" deductible is combined for all coverages, multiple deductibles may apply to any "one accident."
- (2) The "Company" will not pay for loss, damage or expense under any coverage until the amount of the covered loss, damage or expense exceeds the deductible amount indicated for that coverage in the **Community Property Equipment Breakdown Schedule**. The "Company" will then pay the amount of loss, damage or expense in excess of the applicable deductible amount, subject to the applicable limit.
- (3) If deductibles vary by type of "Covered Equipment" and more than one type of "Covered Equipment" is involved in any "One Accident," only the highest deductible for each coverage will apply.

b. Direct and Indirect Coverages

- (1) Direct Coverages Deductibles and Indirect Coverages Deductibles may be indicated in the **Community Property Equipment Breakdown Schedule**.

- (2) Unless more specifically indicated in the **Community Property Equipment Breakdown Schedule**:
 - (a) Indirect Coverages Deductibles apply to “Business Income” and “Extra Expense” loss; and
 - (b) Direct Coverages Deductibles apply to all remaining loss, damage or expense covered by this endorsement.
- c. Application of Deductibles
 - (1) Dollar Deductibles

The “Company” will not pay for loss, damage or expense resulting from any “One Accident” until the amount of loss, damage or expense exceeds the applicable Deductible shown in the **Community Property Equipment Breakdown Schedule**. The “Company” will then pay the amount of loss, damage or expense in excess of the applicable Deductible or Deductibles, up to the applicable Limit of Insurance.
 - (2) Time Deductible

If a time deductible is shown in the **Community Property Equipment Breakdown Schedule**, the “Company” will not be liable for any loss occurring during the specified number of hours or days immediately following the “Accident.” If a time deductible is expressed in days, each day shall mean twenty-four consecutive hours.
 - (3) Multiple of Average Daily Value (ADV)

If a deductible is expressed as a number times ADV, that amount will be calculated as follows:

The ADV (Average Daily Value) will be the “Business Income” (as defined in any “Business Income” coverage that is part of this policy) that would have been earned during the period of interruption of business had no “Accident” occurred, divided by the number of working days in that period. No reduction shall be made for the “Business Income” not being earned, or in the number of working days, because of the “Accident” or any other scheduled or unscheduled shutdowns during the period of interruption. The ADV applies to the “Business Income” value of the entire location, whether or not the loss affects the entire location. If more than one location is included in the valuation of the loss, the ADV will be the combined value of all affected locations. For purposes of this calculation, the period of interruption may not extend beyond the “Period of Restoration.” The number indicated in the **Community Property Equipment Breakdown Schedule** will be multiplied by the ADV as determined above. The result shall be used as the applicable deductible.
 - (4) Percentage of Loss Deductibles

If a deductible is expressed as a percentage of loss, the “Company” will not be liable for the indicated percentage of the gross amount of loss, damage or expense (prior to any applicable deductible or coinsurance) insured under the applicable coverage. If the dollar amount of such percentage is less than the indicated minimum deductible, the minimum deductible will be the applicable deductible.

2. CONDITIONS

The following conditions are in addition to the Conditions in the **Community Coverage Common Policy Conditions** and **Section V. CONDITIONS** of the **Property Insurance Coverage Form**.

- a. Suspension

Whenever “Covered Equipment” is found to be in, or exposed to, a dangerous condition, any of the “Company” representatives may immediately suspend the insurance against loss from an “Accident” to that “Covered Equipment.” This can be done by mailing or delivering a written notice of suspension to:

 - (1) The “Association’s” last known address; or
 - (2) The address where the “Covered Equipment” is located.

Once suspended in this way, the “Association’s” insurance can be reinstated only by an endorsement for that “Covered Equipment.” If the “Company” suspends the “Association’s” insurance, the “Association” will get a pro rata refund of premium for that “Covered Equipment” for the period of suspension. But the suspension will be effective even if we have not yet made or offered a refund.

b. Jurisdictional Inspections

If any property that is "Covered Equipment" under this endorsement requires inspection to comply with state or municipal boiler and pressure vessel regulations, the "Company" agree to perform such inspection on your behalf. The "Company" do not warrant that conditions are safe or healthful.

c. Environmental, Safety and Efficiency Improvements

If "Covered Equipment" requires replacement due to an "Accident," the "Company" will pay your additional cost to replace with equipment that is better for the environment, safer for people, or more energy or water efficient than the equipment being replaced.

However, the "Company" will not pay to increase the size or capacity of the equipment and the "company" will not pay more than 150% of what the cost would have been to replace with like kind and quality. This condition does not apply to the replacement of component parts or to any property to which Actual Cash Value applies and does not increase any of the applicable limits.

d. Coinsurance

If a coinsurance percentage is shown in the **Community Property Equipment Breakdown Schedule** for specified coverages, the following condition applies.

The "Company" will not pay for the full amount of your loss if the applicable limit is less than the product of the specified coinsurance percentage times the value of the property subject to the coverage at the time of the loss. Instead, the "Company" will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. The "Company" will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most the "Company" will pay. The "Company" will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

The most the "Company" will pay for loss, damage or expense under this endorsement arising from any "One Accident" is the applicable Limit of Insurance in the Declarations unless otherwise shown in the **Community Property Equipment Breakdown Schedule**. Coverage provided under this endorsement does not provide an additional amount of insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATIONS ON COVERAGE FOR ROOF SURFACING

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

PROPERTY INSURANCE COVERAGE FORM

SCHEDULE

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

In consideration of the premium charged, it is agreed that:

- A.** The following applies with respect to loss or damage by wind or hail to a building or structure identified in the Schedule:

We will not pay for cosmetic damage to roof surfacing caused by wind or hail. For the purpose of this Endorsement, cosmetic damage means that the wind or hail caused marring, pitting or other superficial damage that altered the appearance of the roof surfacing, and such damage does not prevent the roof from continuing to function as a barrier to entrance of the elements to the same extent as it did before the cosmetic damage occurred.

- B.** For the purpose of this Endorsement, roof surfacing refers to the shingles, tiles, cladding, metal or synthetic sheeting or similar materials covering the roof and includes all materials used in securing the roof surface and all materials applied to or under the roof surface for moisture protection, as well as roof flashing. Roof surfacing also refers to: (1) roof vents, gutters, downspouts, skylights, coping, flashing, and fascia; and (2) any decking or decorative fixtures situated on a roof surface.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**ALUMINUM, VINYL OR STEEL SIDING MATERIAL LIMITATION
ENDORSEMENT
(INCLUDING DOWNSPOUTS)**

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

PROPERTY INSURANCE COVERAGE FORM

SCHEDULE

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

In consideration of the premium charged, it is agreed that:

- A.** The following applies with respect to loss or damage by wind or hail (if covered) to a building or structure identified in the Schedule:

We will not pay for “cosmetic damage” to “aluminum, vinyl or steel siding material” caused by wind or hail.

- B.** For the purpose of this endorsement the following definitions are added.

“Aluminum, vinyl or steel siding material” means material, including downspouts, comprising the exterior siding of all or part of a structure and composed primarily of aluminum, vinyl and/or steel which is exposed to the weather elements and used to keep weather elements out of the structure. This includes underlayment applied for moisture protection and all flashing materials required in the replacement of “aluminum, vinyl or steel siding material”.

“Cosmetic damage” means physical damage, such as marring, pitting or other superficial damage that alters the appearance of the “aluminum, vinyl or steel siding material”, but which does not prevent the siding from continuing to function as a barrier to entry of weather elements to the same extent as it did before the “cosmetic damage” occurred. If a structure is physically damaged on one or more, but not all, facades, and a discrepancy exists in the appearance or texture due to the color of the non-damaged façade material differing from any replaced or repaired damaged façade material, then such discrepancy, along with any claim, request or application to replace such non-damaged façade material as a part of the loss, shall not be covered under this Policy.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOLAR PANEL EXCLUSION ENDORSEMENT - PROPERTY

This endorsement modifies insurance provided under the following:

PROPERTY INSURANCE COVERAGE FORM

In consideration of the premium charged, it is agreed that:

A. The following exclusion is added to **I. COVERAGE G. Exclusions**:

Solar Panels

The "Company" will not pay for loss or damage to, or loss or damage caused by, resulting from, consisting of, or related to, directly or indirectly, in whole or in part, "Solar Panels", regardless of any other cause or event that contributes concurrently or in any other sequence therewith.

B. For the purpose of this endorsement the following Definition is added to **VI. DEFINITIONS** of the policy:

"Solar Panels" means all components necessary to capture and convert solar radiation to power, including but not limited to: elevated panes or plates, or a canopy or array thereof; the bases or foundation of the panels, plates, canopy, or array thereof; charge controllers; power inverters; storage batteries; generators; wires and cables; and meters and monitors; whether or not attached to a building.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

PROPERTY INSURANCE COVERAGE FORM

- A. The exclusion set forth in Paragraph B. below applies to all coverage under all forms and endorsements that comprise this Coverage Part or this Policy, including but not limited to forms or endorsements that cover loss of or damage to buildings or business personal property, forms or endorsements that cover business income, extra expense or action of civil authority, and any Additional Coverages or Coverage Extensions in this Coverage Part, this Policy or Endorsement(s) attached to this Coverage Part or Policy.
- B. The following exclusion is added to the Commercial Property Coverage Part or Policy:
- We will not pay for loss, damage, costs, or expenses caused directly or indirectly by a "Cyber Incident" as defined herein. Such loss, damage, cost or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss, damage, costs, or expenses.
- C. Vandalism
- The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under this Coverage Part or this Policy and if applicable to the premises described in the Declarations:
- Vandalism does not include a "Cyber Incident" as described in Paragraph B. of this Exclusion.
- D. Definitions is amended to add the following:
- "Cyber Incident" means:
1. Unauthorized access to or use of any computer system (including electronic data).
 2. Malicious code, virus or any other harmful code that is directed at, uploaded, downloaded, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
 3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.
- E. The terms of the exclusion in Paragraph B. of this Exclusion, or the inapplicability of this Exclusion to particular loss, damage, costs, or expenses do not serve to create coverage for any loss, damage, cost or expense that would otherwise not be covered under this Coverage Part or Policy to which this Exclusion is attached.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

SCHEDULE

The **Exception Covering Certain Fire Losses** (Paragraph C) applies to property located in the following state(s), if covered under the indicated Coverage Form, Coverage Part or Policy:

State(s)	Coverage Form, Coverage Part Or Policy
IL	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. The following definition is added with respect to the provisions of this endorsement:

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

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

B. The following exclusion is added:

CERTIFIED ACT OF TERRORISM EXCLUSION

We will not pay for loss or damage caused directly or indirectly by a "certified act of terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

C. Exception Covering Certain Fire Losses

The following exception to the exclusion in Paragraph B. applies only if indicated and as indicated in the Schedule of this endorsement.

If a "certified act of terrorism" results in fire, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense coverage forms or endorsements which apply to those forms, or to the Legal Liability Coverage Form or the Leasehold Interest Coverage Form.

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

D. Application Of Other Exclusions

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

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS PROPERTY CHANGES

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

PROPERTY INSURANCE COVERAGE FORM

In consideration of the premium charged, it is agreed that:

1. Section **VI. DEFINITIONS**, subsection **AA.** is deleted in its entirety and replaced by the following:

AA. "Vacant Building" means any of the following:

1. A building which does not include sufficient business personal property to conduct customary "Operations";
2. A building in which less than 25% of the total number of homes, units, or townhouses in the building are occupied;
3. No closings are completed for units or apartments sold in the building or leased to persons or entities other than to or by the developer of the "Association"; or
4. Currently constructed or renovated buildings, unless the only work remaining to be completed is punch list items and the requirements of paragraph **2.** of this definition are met.

Provided that "Vacant Buildings" shall not mean any building unless it has met any one or all of the criteria set forth in Paragraphs 1. through 4. above for a period of sixty (60) days or more.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

COMMERCIAL GENERAL LIABILITY COVERAGE DECLARATIONS

Insurance applies only to those Coverages for which a Limit of Insurance is shown below. The audit term is annual unless otherwise indicated.

Named Insured: Condominium Association of St.
James

Policy Number: QAP0000572-02

Premises:

See Address List

Effective Date, 12:01 a.m. CST: 3/17/2024

Expiration Date, 12:01 a.m. CST: 3/17/2025

Effective Date, 12:01 a.m. CST:

Coverage: Commercial General Liability

Limits of Insurance:

Each Occurrence/Offense Limit \$1,000,000

Damage To Premises Rented To Association – Any
on premises \$500,000

Medical Expense Limit – Any One Person \$5,000

Personal & Advertising Injury Limit – Any one Person
or Organization \$1,000,000

General Aggregate Limit \$3,000,000

Products/Completed Operations Aggregate Limit \$1,000,000

Non-Owned and Hired Auto Liability \$1,000,000

Uninsured Motorist Coverage \$1,000,000

Underinsured Motorist Coverage \$1,000,000

Garagekeepers Legal Liability

Forms issued at inception of this coverage:

Authorized Representative

Association and Community Excellence Program

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

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

Any person or organization qualifying for coverage is described under Section II. – **WHO IS AN INSURED**. Other words and phrases that appear in quotations have special meaning, as detailed under Section V. – **DEFINITIONS**.

I. COVERAGES

A. Insuring Agreement

The “Company” will pay those “Damages” an insured is legally obligated to pay by reason of liability imposed by law because of “Bodily Injury” or “Property Damage” caused by an “Occurrence” or as the result of a “Personal Injury” or “Advertising Injury” caused by an offense to which this insurance applies.

This insurance applies only if:

1. The “Bodily Injury” or “Property Damage” occurs in the coverage territory during the policy period;
2. The “Personal Injury” or “Advertising Injury” is caused by an offense committed in the coverage territory during the policy period by an insured conducting the business of or on behalf of the “Association”; and
3. Prior to the policy period no insured listed under Paragraphs **A., B., C., and D.** of Section II - **Who Is An Insured**, and no employee authorized by the “Association” to give or receive notice of an “Occurrence” or “Claim”, or the “Association’s” current or prior property manager or its employees, knew that the “Bodily Injury” or “Property Damage” had occurred, or “Personal Injury” or “Advertising Injury” was committed, in whole or in part.

If such a listed insured, employee, current or prior property manager, or authorized employee knew, prior to the policy period, that the “Bodily Injury” or “Property Damage” had occurred, or “Personal Injury” or “Advertising Injury” was committed, then any continuation, change or resumption of such “Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” during or after the policy period will be deemed to have been known prior to the policy period.

“Bodily Injury” or “Property Damage” which occurs, or “Personal Injury” or “Advertising Injury” which is committed during the policy period and was not, prior to the policy period, known to have occurred or committed by any insured listed under Paragraphs **A., B., C., or D.** of Section II - **Who Is An Insured**, or any employee authorized by the “Association” to give or receive notice of an “Occurrence” or “Claim”, or by the “Association’s” current or prior property manager or its employee, includes any continuation, change or resumption of that “Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” after the end of the policy period.

“Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” will be deemed to have been known to have occurred or committed at the earliest time when any insured listed under Paragraphs **A., B., C., or D.** of Section II - **Who Is An Insured** or any employee authorized by the “Association” to give or receive notice of an “Occurrence” or “Claim”, or the “Association’s” current or prior property manager or its employee:

- a. Reports all or any part, of the “Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” to the “Company” or any other insurer;
- b. Receives a written or verbal demand or “Claim” for “Damages” because of the “Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury”; or

- c. Becomes aware by any other means that "Bodily Injury" or "Property Damage" occurred or has begun to occur, or "Personal Injury" or "Advertising Injury" has been committed or has begun to be committed.

B. Defense of Claims

1. The "Company" will provide defense for an insured against any "Claim" seeking "Damages" to which this Coverage Part applies. The "Company" will pay for the "Defense Expense" in addition to the applicable limit of insurance. The "Company's" obligation to defend and pay for "Defense Expense" is limited as described hereunder.
2. The "Company" has no obligation under this insurance to make payments or to perform acts or services except as provided in this Coverage Form.

When the "Company's" limit of insurance is exhausted by payment of a judgment or by settlement to which the "Company" agreed in writing, on the insured's behalf, the "Company's" defense obligation ends.

3. The "Company" has no obligation to defend any "Claim" or to perform other acts or services under this Coverage Form until the "Company" has received written notice of a "Claim" to which this Coverage Part applies.
4. The "Company" may investigate, defend, and settle any "Claim" at the "Company's" sole discretion. The "Company" will pay, with respect to any "Claim" the "Company" investigates, defends or settles:
 - a. All expenses the "Company" incurs;
 - b. No more than \$250 for the cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the "Bodily Injury" liability coverage applies. The "Company" does not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. However, the "Company" has no obligation to furnish these bonds.
 - d. All reasonable expenses incurred by an insured at the "Company's" request during the process of assisting the Company in the investigation or defense of the "Claim" , including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "Claim". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against an insured on that part of the judgment the "Company" pays. If the "Company" makes an offer to pay the applicable limit of insurance, the "Company" will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any costs and judgment that accrue after entry of the judgment, but the "Company's" duty to pay interest ends when the "Company" has paid, offered to pay, or deposited in court the costs awarded and that part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

5. If an indemnitee of the insured is named as a party to "Claim" against the insured that the "Company" is defending, the "Company" will defend that indemnitee only if each of the following conditions are met:
 - a. The "Claim" against the indemnitee seeks "Damages" for which that insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";

- b. This insurance applies to such liability assumed by that insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by that insured in the same "insured contract";
- d. The allegations in the "Claim" and the information the "Company" knows about the "Occurrence" are such that no conflict appears to exist between the interests of that insured and the interests of the indemnitee;
- e. The indemnitee and that insured ask the "Company" in writing to conduct and control the defense of that indemnitee against such "Claim" and agree that the "Company" can assign the same counsel to defend that insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with the "Company" in the investigation, settlement or defense of the "Claim";
 - (b) Immediately send the "Company" copies of any demands, notices, summonses or legal papers received in connection with the "Claim";
 - (c) Notify and maintain a tender to any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with the "Company" with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides the "Company" with written authorization to:
 - (a) Obtain records and other information related to the "Claim"; and
 - (b) Conduct and control the defense of the indemnitee in such "Claim".

So long as the above conditions are met, attorneys' fees incurred by the "Company" in the defense of that indemnitee, necessary litigation expenses incurred by the "Company", and necessary litigation expenses incurred by the indemnitee at the "Company's" request will be paid as Defense of "Claims". Such payments will not be deemed to be "Damages" for "Bodily Injury" and "Property Damage" and will not reduce the limits of insurance.

The "Company's" obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Defense Of "Claims" begins only upon receipt by the "Company" of written notice from the insured's indemnitee requesting the "Company's" defense of a "Claim" to which this coverage applies and ends when the "Company" has used up the applicable limit of insurance in the payment on behalf of an insured or indemnitee of any judgment or settlement or the conditions set forth above, or the terms of the agreement described in paragraph 5.f. above, are no longer met.

C. Exclusions

This insurance does not apply to:

1. Expected or Intended Injury

"Bodily Injury" or "Property Damage" expected or intended from the standpoint of any insured. But this exclusion does not apply to "Bodily Injury" resulting from the use of reasonable force to protect persons or property.

2. Contractual Liability

"Bodily Injury" or "Property Damage" for which an insured is legally obligated to pay "Damages" due to the assumption of liability in a contract or agreement. This exclusion does not apply to liability for bodily injury or "Property Damage":

- a. Assumed in a written contract or agreement that is an “insured contract”, provided the “Bodily Injury” or “Property Damage” occur after the execution of the contract or agreement; or
- b. That an insured would have in the absence of the contract or agreement.

3. Workers’ Compensation and Similar Laws

Any obligation of an insured under any workers’ compensation, unemployment compensation, disability benefits compensation law or any similar law.

4. Employer’s Liability

“Bodily Injury” to:

- a. An employee of an insured arising out of and in the course of employment by the employing insured; or
- b. The spouse, child, parent, sibling or heir of that employee as a consequence of **a.** above.

This exclusion applies:

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

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

5. Liquor Liability

“Bodily Injury” or “Property Damage” that any insured, which is engaged, in whole or in part, in the business of manufacturing, distributing, selling, serving, or furnishing alcoholic beverages or which leases premises at which alcoholic beverages are regularly manufactured, distributed, sold, served, or furnished, may be held liable by reason of:

- a. Causing or contributing to the intoxication of any person;
- b. The furnishing of an alcoholic beverage to a person under the legal drinking age or under the influence of alcohol; or
- c. Any statute, ordinance or regulation relating to the sale, gift, distribution, or use of alcoholic beverages.

6. Employment-related Practices

“Bodily Injury”, “Personal Injury”, or “Advertising Injury”:

- a. To a person as a result of:
 - (1) Refusal to employ that person;
 - (2) Termination of that person’s employment; or
 - (3) Employment-related practices, policies, acts or omissions, including but not limited to coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, or discrimination directed at that person; or
- b. To the spouse, child, parent, sibling, or heir of that person as a consequence of any “Bodily Injury”, “Personal Injury”, or “Advertising Injury” to that person at whom the employment-related practices described in paragraphs **a.(1), (2), or (3)** above is directed.

This exclusion applies:

- (a)** Whether the injury-causing event described in paragraphs **a.(1) – (3)** above occurs before employment, during employment or after employment of that person;
- (b)** Whether an insured may be liable as an employer or in any other capacity; and
- (c)** To any obligation to share “Damages” with or to repay someone else who must pay “Damages” because of the injury.

7. Fungi Or Bacteria

- a.** “Bodily Injury”, “Property Damage”, or “Personal Injury” caused by, resulting from, or consisting of, in whole or in part, the actual, alleged, or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any “fungi” or bacteria on or within the premises described in the Declarations or on or within a building or structure on said premises, including its contents, regardless of whether any other cause, physical or mental condition, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b.** Any loss, cost or expenses caused by, resulting from, or consisting of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of “fungi” or bacteria by any insured or by any other person or entity.

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

8. Pollution

- a.** “Bodily Injury”, “Property Damage”, or “Personal Injury” caused by, resulting from, or consisting of the actual, alleged, or threatened discharge, dispersal, seepage, migration, release, or escape of “Pollutants”.
- b.** The actual alleged or threatened discharge, dispersal, seepage, migration, release, or escape of “Pollutants” can take place indoors or outside of buildings or structures:
 - (1)** At or from the premises, site or location which is or was at any time owned or occupied by, or rented or loaned to an insured. This sub-paragraph does not apply to “Bodily Injury” if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (2)** At or from any premises, site, or location used for the handling, storage, disposal, processing or treatment of waste at any time by or for an insured or by others;
 - (3)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for an insured or any person or organization for whom an insured may be legally responsible; or
 - (4)** At or from any premises, site, or location on or at which an insured or any contractor or subcontractor working directly or indirectly on behalf of an insured are performing operations:
 - (a)** If the “Pollutants” are brought on or to the premises, site or location in connection with such operations. But this exclusion does not apply to “Bodily Injury”, “Property Damage”, or “Personal Injury” arising out of the dispersal, seepage, or escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of “Mobile Equipment” or its parts, if such fuels, lubricants or other operating fluids disperse, seep, or escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the “Bodily Injury”

or "Property Damage" arises out of the intentional discharge, dispersal, or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured; or

- (b) If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize "Pollutants".

Paragraphs **a.** and **b.** of this Exclusion do not apply to "Bodily Injury" or "Property Damage" caused by or resulting from heat, smoke or fumes from a "hostile fire" or the use of pesticides, herbicides, or swimming pool chemicals at the premises described in the **Commercial General Liability Coverage Declarations** if:

- (i) The dispersal, release, discharge, seepage, migration, or escape of the pesticides, herbicides, or swimming pool chemicals from such premises happens quickly and occurs by accident or chance; and
- (ii) The use of pesticides, herbicides, or swimming pool chemicals at such premises meets all standards of statutes, ordinances, regulations and licenses requirement of any applicable federal, state or local government.

c. Any loss, cost or expense relating to:

- (1) Any "Claim", request, demand, order, or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "Pollutants" at any location; or
- (2) Any "Claim", request, or "Suit" by or on behalf of a governmental authority relating in any manner to any testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "Pollutants".

9. Aircraft, Autos, or Watercraft

"Bodily Injury" or "Property Damage" caused by or resulting from the ownership, maintenance, use, or entrustment to others of any aircraft, "Auto", or watercraft owned, controlled, or operated by, rented, leased, or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if a "Claim" against an insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by that insured, if the "Occurrence" which caused the "Bodily Injury" or "Property Damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "Auto", or watercraft that is owned, controlled, or operated by, rented, leased, or loaned to any insured.

This exclusion does not apply to:

- a.** A watercraft while ashore on the premises described in the **Commercial General Liability Coverage Declarations**;
- b.** A watercraft owned by the "Association" that is:
 - (1) Less than 26 feet long; and
 - (2) Not being used to carry persons or property for a charge;
- c.** Parking an "Auto" on, or on the ways next to, the premises described in the **Commercial General Liability Coverage Declarations**, provided the "Auto" is not owned or controlled by, rented, leased, or loaned to the "Association";
- d.** Liability assumed under an "insured contract" for the ownership, rental, leasing, maintenance or use of aircraft or watercraft; or

- e. "Bodily Injury" or "Property Damage" arising out of:
 - (1) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of mobile equipment if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
 - (2) The operation of any of the machinery or equipment listed in paragraphs R. of the definition of mobile equipment.

10. Mobile Equipment

"Bodily Injury" or "Property Damage" arising out of:

- a. The transportation of "Mobile Equipment" by an "Auto" owned, controlled, or operated by, or rented, leased, or loaned to any insured; or
- b. The use of "Mobile Equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

11. War

"Bodily Injury", "Property Damage", "Personal Injury", or "Advertising Injury" however caused, arising, directly or indirectly, out of:

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

12. Damage to Property

"Property Damage" to:

- a. Property an insured owns, rents or leases to others, or occupies, including any costs or expenses incurred by an insured, or any other person, organization or entity, for repair, replacement, enhancement, remodeling, rehabilitation, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- b. Premises an insured sells, gives away or abandons, if the "Property Damage" is caused by, results from, or consists of any part of those premises;
- c. Property loaned, rented, or leased to an insured;
- d. Personal property in the care, custody or control of an insured;
- e. That particular part of real property on which an insured, or any contractors or subcontractors working directly or indirectly on an insured's behalf, is performing operations, if the "Property Damage" arises out of those operations; or
- f. That particular part of any property that must be restored, repaired or replaced because an "insured's work" was incorrectly performed on it.

Paragraphs **c.** and **d.** of this exclusion do not apply to “Property Damage” (other than damage by fire) to premises, including the contents of such premises, rented or leased to the “Association” for a period of 7 or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To The “Association”, as described in Section **III. LIMITS OF INSURANCE.**

Paragraphs **c.**, **d.**, **e.**, and **f.** of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph **f.** of this exclusion does not apply to “Property Damage” included in the products-completed operations hazard.

13. Damage to an Insured’s Work

“Property Damage” to an “Insured’s Work” caused by, resulting from, or consisting of it or any part of it and included in the products-completed operations hazard. This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on the “Association’s” behalf by a subcontractor.

14. Damage to Impaired Property or Property Not Physically Injured

“Property Damage” to “impaired property” or property that has not been physically injured, arising out of:

- a.** A defect, deficiency, inadequacy or dangerous condition in an “insured’s product” or an “insured’s work”; or
- b.** A delay or failure by an insured or anyone acting on an insured’s behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property caused by, resulting from or consisting of sudden and accidental physical injury to an “insured’s product” or an “insured’s work” after it has been put to its intended use.

15. Asbestos

“Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury”:

- a.** Caused by, resulting from, or consisting of asbestos or any products, materials, structures, fibers or dust containing asbestos or the existence of asbestos in any place or thing in the atmosphere, in or on the land, or in any watercourse or body of water; or
- b.** Any loss, cost, “Claim”, or expense caused by, resulting from, or consisting of testing for, monitoring, cleaning up, containing, removing, or treatment of or for asbestos or any products, materials, structures, fibers or dust containing asbestos.

16. Distribution of Material in Violation of Statutes

“Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” caused by, resulting from, or consisting of, directly or indirectly, any action or omission that violates or is alleged to violate:

- a.** The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b.** The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- c.** The Fair Credit Reporting Act of 1970 (FACTA), including any amendment of or addition to such law; or

- d. Any statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003, or FACTA that prohibits or limits the sending, transmitting, communicating, release, conveyance, publication, or distribution of material or information.
- e. EPA Regulation under 40CFR Part 745 and as amended.

17. Lead

“Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury”:

- a. Caused by, resulting from, or consisting of lead, lead compounds or materials containing lead, including but not limited to lead used, installed, stored, encapsulated, contained, removed or withdrawn from, in or on any product, material, or structure, or as a component of any product, material, or structure;
- b. Any error or omission in supervision, instruction, recommendation, notice, warning, or advice relating to lead, lead compounds or materials; or
- c. Any loss, cost, “Claim”, or expense caused by, resulting from, or consisting of testing for, monitoring, cleaning up, containing, removing, or treatment of or for consisting lead, lead compounds or materials.

18. Intentional Falsehoods - Prior Acts - Willful Violations

“Personal Injury” or “Advertising Injury”:

- a. Caused by or at the direction of an insured with the knowledge that the act would violate the rights of another and could inflict “Personal Injury” or “Advertising Injury”;
- b. Arising out of oral or written publication, in any manner, of material, if done by or at the direction of an insured with knowledge of its falsity;
- c. Arising out of any criminal act committed by or with the consent of an insured;
- d. Arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period;
- e. For which an insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for “Damages” that an insured would have in the absence of the contract or agreement;
- f. Arising out of a breach of contract, except an implied contract, to use another's advertising idea in the “Association's” advertisement.
- g. Arising out of the failure of goods, products, services, buildings, construction, or construction materials or workmanship to conform with any statement of quality or performance made or implied in the “Association's” advertisement; or
- h. Arising out of the unauthorized use of another's name or product in the “Association's” letterhead, advertisements, e-mail address, domain name or metatag, or any other similar tactic which may mislead another's potential customers or clientele.

19. Partnerships, Joint Ventures, Limited Liability Companies

“Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” arising from an insured’s conduct or participation as a partner or member in a past or current partnership, joint venture, or limited liability company that is not described in the **Commercial General Liability Coverage Declarations** as an insured. This exclusion applies regardless of whether a “Claim” is made against or an insured is sued in his, her, or its own name or that of the partnership, joint venture or limited liability company.

20. Professional Liability

“Bodily Injury”, “Property Damage”, “Personal Injury”, or “Advertising Injury” caused by or resulting from an insured’s rendering or failure to render professional services, including but not limited to any service, treatment, advice or instruction relating to physical fitness, including service, treatment advice or instruction in connection with diet, cardio-vascular fitness, body building or physical therapy or training programs.

21. E.R.I.S.A

Any obligation of the “Association” under the Employee Retirement Income Security Act (E.R.I.S.A.) of 1974 and any amendments thereto or similar federal, state, or local statute, regulation or ordinance.

22. Nuclear

a. Under any Liability Coverage, to “Bodily Injury” or “Property Damage”:

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

Under any Medical Payments coverage, to expenses incurred with respect to “Bodily Injury” resulting from the “Hazardous Properties” of “Nuclear Material” and arising out of the operation of a “Nuclear Facility” by any person or organization.

c. Under any Liability Coverage, to “Bodily Injury” or “Property Damage” resulting from “Hazardous Properties” of “Nuclear Material”, if:

- (1) The “Nuclear Material”
 - (a) Is at any “Nuclear Facility” owned by, or operated by or on behalf of, an insured or
 - (b) Has been discharged or dispersed therefrom;
- (2) The “Nuclear Material” is contained in “Spent Fuel” or “Waste” at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The “Bodily Injury” or “Property Damage” arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any “Nuclear Facility”, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion **c.(3)** applies only to “Property Damage” to such “Nuclear Facility” and any property thereat.

d. As used in this exclusion:

- (1)** “Hazardous properties” includes radioactive, toxic or explosive properties;
- (2)** “Nuclear Material” means “Source Material”, “Special Nuclear Material” or “By-product Material”;
- (3)** “Source Material”, “Special Nuclear Material”, and “By-product Material” have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
- (4)** “Spent Fuel” means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a “Nuclear Reactor”;
- (5)** “Waste” means any waste material:
 - (a)** Containing “By-product Material” other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its “Source Material” content, and
 - (b)** Resulting from the operation by any person or organization of any “Nuclear Facility” included under the first two paragraphs of the definition of “Nuclear Facility”.
- (6)** “Nuclear Facility” means:
 - (a)** Any “Nuclear Reactor”;
 - (b)** Any equipment or device designed or used for:
 - (i)** Separating the isotopes of uranium or plutonium;
 - (ii)** Processing or utilizing “Spent Fuel”; or
 - (iii)** Handling, processing or packaging “Waste”;
 - (c)** Any equipment or device used for the processing, fabricating or alloying of “Special Nuclear Material” if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
 - (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of “Waste”; and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;
- (7)** “Nuclear Reactor” means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material; and
- (8)** “Property Damage” includes all forms of radioactive contamination of property.

23. "Sexual Abuse"

"Bodily Injury", "Property Damage", or "Personal Injury" caused by, resulting from, or consisting of any actual, threatened, intentional, unintentional, or alleged sexual abuse of any person. This exclusion also applies to any allegation against the "Association" or its property manager relating to any alleged incident of "sexual abuse" concerning negligent, reckless, intentional, or willful and wanton employment, investigation, supervision, training, reporting or failure to report sexual abuse to proper authorities, and retention of a person for whom the "Association" or its property manager is or ever was legally responsible.

24. Electronic Chatrooms Or Bulletin Boards

"Bodily Injury", "Property Damage", "Personal Injury", or "Advertising Injury" caused by or resulting from an electronic chatroom or bulletin board the insured hosts, owns, or controls.

25. Communicable Disease

"Bodily Injury", "Property Damage", "Personal Injury", or "Advertising Injury" arising out of the actual or alleged transmission of a "communicable disease". This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- a. Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a "communicable disease";
- b. Testing for a "communicable disease";
- c. Failure to prevent the spread of the disease; or
- d. Failure to report the disease to authorities.

26. Cannabis

a. "Bodily Injury", "Property Damage", "Personal Injury" or "Advertising Injury" arising out of:

- (1) The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
- (2) The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or

b. Property damage" to "cannabis".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal injury" or "advertising injury", involved that which is described in Paragraph **a.** or **b.** above.

However, Paragraph **a.(2)** does not apply to "bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, or contact with, "cannabis" by:

- (1) An insured; or
 - (2) Any other person for whom you are legally responsible
- but only if the "bodily injury" or "property damage" does not arise out of your selling, serving or furnishing of "cannabis" to any person described above.

- c. This exclusion does not apply to "personal injury" or "advertising injury" arising out of the following offenses:
 - 1. False arrest, detention or imprisonment; or
 - 2. The wrongful eviction from, wrongful entry into, or invasion of the right or private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

The only exclusions that apply to damage caused by fire, explosion, smoke, or from leakage of fire protective equipment to any premises rented to an insured are: **1., 2., 12.a., 12.b., 12.e., 12.f., 15., 17., 20. and 22.** A separate Limit of Insurance stated in the **Commercial General Liability Coverage Declarations** applies to this coverage as described in the Section III. **LIMITS OF INSURANCE.**

D. Medical Expense

- 1. For each person who sustains "Bodily Injury" caused by an accident, the "Company" will pay, subject to the applicable Limit of Insurance stated in the **Commercial General Liability Coverage Declarations**, all "medical expense" incurred and reported to the "Company" within one year from the date of the accident. The accident must take place during the policy period, and the "Bodily Injury" must be caused by or result from a condition on or immediately adjacent to the "Association's" premises or by or from the "Association's" operations for which bodily injury liability coverage is afforded under this Coverage Form. The "Company" will make these payments regardless of fault. The injured person must submit to examination, at the "Company's" expense, by physicians of the "Company's" choice as often as the "Company" reasonably requires.
- 2. The "Company" will not pay any "medical expense" for "Bodily Injury":
 - a. To any insured, except to a unit owner;
 - b. To a person hired to do work for or on behalf of any insured or a tenant of any insured;
 - c. To a person injured on that part of premises the "Association" owns or rents that the person normally occupies;
 - d. To a person, whether or not an employee of any insured, if benefits for the "Bodily Injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law;
 - e. To a person injured while practicing, instructing or participating in any physical exercises or games sports, or athletic contests;
 - f. Included within the products-completed operations hazard; or
 - g. Which would be excluded in Section C, above.

II. WHO IS AN INSURED

- A. If the Named Insured described in the Declarations is a homeowners', condominium, townhouse "Association", or a cooperative corporation, then they are an insured. Its officers and directors are also insureds, but only with respect to their duties on behalf of the "Association".
- B. If the Named Insured described in the Declarations is a homeowners', condominium, or townhouse "Association", then each individual owner of a house, unit, or town home in the "Association" is an insured, but only with respect to liability caused by or resulting from the ownership, maintenance, or repair of that portion of the premises which is not reserved for that owner's exclusive use or occupancy.

- C. If the Named Insured described in the Declarations is a cooperative corporation, then each shareholder/member of the cooperative corporation is an insured, but only with respect to liability caused by or resulting from the ownership, maintenance, or repair of that portion of the premises which is not reserved for that shareholder/member's exclusive use or occupancy.
- D. To the extent the developer of the "Association" owns one or more units in the "Association", the developer is an insured, provided that the developer shall not be deemed an insured in any broader capacity than that of any other unit owner. However, the insurance afforded with respect to the developer does not apply to any actual or potential liability of the developer for any acts or omissions as a developer of the "Association".
- E. The "Association's" employees, other than its officers and directors, but only with respect to their duties on behalf of the "Association". No employee of the "Association" is an insured for:
 - 1. "Bodily Injury" or "Personal Injury" to a co-employee of the "Association" incurred in the scope and course of the employee's work for the "Association";
 - 2. "Property Damage" to property owned by an insured; or
 - 3. "Bodily Injury", "Personal Injury" or "Property Damage" caused by, consisting of or resulting from his or her providing or failing to provide professional health care services.
- F. Any property management agent of the "Association", and any employee of the property management agency, but only with respect to their duties on behalf of the "Association". However, no property management agent of the "Association" or employee of the property management agency is an insured for:
 - 1. "Bodily Injury", "Personal Injury", or "Advertising Injury":
 - a. To a co-employee;
 - b. To the spouse, child, parent, sibling, or heir of that co-employee as a consequence of paragraph 1.a. above;
 - c. To the "Association" or to his/her employer, and if the employer is a partnership or joint venture, any partners or members thereof, or if the employer is a limited liability company, to any member thereof; or
 - d. For which there is any obligation to share "Damages" with or repay someone else who must pay "Damages" because of the injury described in paragraph 1.a., b. or c. above.
 - 2. "Property Damage" to property owned, occupied or used by, rented, leased or loaned to, in the care, custody or control of, or over which physical control is being exercised for any purpose by the "Association", any employee of the "Association", the property manager, or an employee of the property management agency.
- G. No person or entity is an insured with respect to any actual or potential liability caused by, consisting of, or resulting from his, her, or it providing or failing to provide professional health care or counseling services.
- H. No person or organization is an insured with respect to that person's or organization's conduct or participation as a partner or member in any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

III. LIMITS OF INSURANCE

- A. The Limits of Insurance shown in the Declarations and the rules set forth below is the most the "Company" will pay regardless of the number of:

1. Insureds;
 2. "Claims" that are made; or
 3. Persons or organizations making "Claims".
- B.** The General Aggregate Limit is the most the "Company" will pay in any one policy year for the sum of all:
1. "Medical expenses";
 2. "Damages" for "Bodily Injury" and/or "Property Damage", except "Damages" because of bodily injury or "Property Damage" included in the products-completed operations hazard; and
 3. "Damages" for "Personal Injury" and "Advertising Injury".
- C.** The Products-Completed Operations Aggregate Limit is the most the "Company" will pay in any one policy year "Damages" because of "Bodily Injury" and/or "Property Damage" included in the products-completed operations hazard. Each payment the "Company" makes for such "Damages" reduces the Products-Completed Operations Aggregate Limit by the amount of such payment.
- D.** Subject to Paragraph **B.** or **C.** above, whichever applies, the Each "Occurrence" Limit is the most the "Company" will pay for the sum of:
1. All "Damages" for "Bodily Injury" and/or "Property Damage"; and
 2. All "medical expenses";
- because of all "Bodily Injury" and "Property Damage" with respect to any one "Occurrence". Any payment for medical expense shall reduce or be set-off from any amounts paid or payable for the same expense for liability caused by or resulting from "Bodily Injury". Each payment the "Company" makes for such "Damages" reduces the General Aggregate Limit by the amount of such payment.
- E.** Subject to paragraph **B.** above, the "Personal Injury" and "Advertising Injury" Limit is the most the "Company" will pay for all "Damages" because of all "Personal Injury" and/or "Advertising Injury" sustained by any one person or organization as a result of an offense. Each payment the "Company" makes for such "Damages" reduces the General Aggregate Limit by the amount of such payment.
- F.** Subject to paragraph **D.** above, the Damage to Premises Rented to "Association" Limit is the most the "Company" will pay for "Damages" because of "Property Damage" to any one premises while rented to the "Association", or in the case of damage by fire, while rented to the "Association" or temporarily occupied by the "Association" with permission of the owner.
- G.** Subject to paragraphs **B.** and **D.** above, the Medical Expense Limit is the most the "Company" will pay for all "medical expense" because of "Bodily Injury" sustained by any one person. Each payment the "Company" makes for such "Damages" reduces the General Aggregate Limit and the Each "Occurrence" Limit by the amount of such payment. Any payment for "medical expense" shall be reduced by or subject to set-off for any amounts paid or payable for the same expense under Coverage **A.**

The Limits of Insurance of this Coverage Form apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding 12 month period for purposes of determining the Limits of Insurance.

IV. LIABILITY INSURANCE CONDITIONS

A. Bankruptcy

Bankruptcy or insolvency of an insured or an insured's estate will not relieve the "Company" of any obligation under this insurance.

B. Duties in the Event of Occurrence, Claim or Suit

1. Any insured aware of an "Occurrence" or an offense shall see to it that the "Company" is notified as soon as practicable of the "Occurrence" or offense which could result in a "Claim" under this Coverage Form. Notice should include:
 - a. How, when and where the "Occurrence" or offense took place;
 - b. The names and addresses of any injured persons and witnesses; and
 - c. The nature and location of any injury or damage arising out of the "Occurrence" or offense.

Notice of an "Occurrence" or offense is not notice of a "Claim".

2. If a "Claim" is made to or received by any insured, the "Association" and any involved insured shall:
 - a. Immediately record the specifics of the "Claim" and the date received; and
 - b. Notify the "Company" as soon as practicable of the "Claim".

Any insured who is aware of the "Claim" must see to it that the "Company" receives written notice of the "Claim" as soon as practicable.

3. The "Association" and any other involved insured must:
 - a. Immediately send the "Company" copies of any communications, demands, notices, summonses or legal papers received in connection with any "Claim" or "Suit" against an insured to which this coverage may apply;
 - b. Authorize the "Company" to obtain records and other information;
 - c. Cooperate with the "Company" in the investigation, settlement or defense of the "Claim" or "Suit"; and
 - d. Assist us, upon the "Company's" request, in the enforcement of any right against any person or organization which may be liable to an insured because of injury or damage to which this insurance may also apply.
4. The "Association" and any other insured under this Coverage Form who is aware of an "Occurrence", offense, "Claim", or "Suit" must promptly notify any other insurer which may have insurance coverage available for any "Occurrence", offense, wrongful act, "Claim" or "Suit" against an insured to which this coverage may apply, and also tender the defense and indemnity of any "Claim" made or "Suit" brought against an insured under this Coverage Form to any other insurer which may have insurance coverage available for an "Occurrence", offense, wrongful act, "Claim" or "Suit" for which the "Company" may provide coverage under this Coverage Form.

This insurance provided by this Coverage Form will be void with respect to the "Occurrence", offense, wrongful act, "Claim" or "Suit" if the "Association" or any other insured fails to provide such notice and tender to any other insurer which may have insurance coverage available for the "Occurrence", offense, wrongful act, "Claim" or "Suit".

5. No insured will, except at their own cost, voluntarily make a payment, assume any obligation or liability, or incur any expense, other than for first aid, without the "Company's" written consent.

C. Legal Action Against Us

No legal action may be brought against the "Company" until:

1. There has been full compliance with all terms of this insurance; and
2. There has been a final judgment to determine each involved insured's obligation or the "Company" agrees in writing to the amount of the obligation.

No person or organization has any right under this insurance to bring the "Company" into any action to determine the liability of any insured.

The sentence immediately above does not apply in Wisconsin.

D. Other Insurance

If other valid and collectible insurance is available to an involved insured for a "Claim" or loss, the "Company" covers under "Bodily Injury", "Property Damage", "Personal Injury" or "Advertising Injury" coverage of this insurance, the "Company's" obligations are limited as follows:

1. Primary Insurance

This insurance is primary except when **2.** below applies. If this insurance is primary, the "Company's" obligations are not affected unless any of the other insurance is also primary. If this insurance is primary, the "Company" will share any defense and indemnity obligations with all other insurance by the method described in **3.** below.

2. Excess Insurance

- a. This insurance is excess over any other insurance, whether primary, excess, contingent or on any other basis:
 - (1) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "insured's work";
 - (2) That is Fire insurance for premises rented to insured;
 - (3) If the loss arises out of the maintenance or use of aircraft, autos or watercraft to the extent not subject to the AIRCRAFT-WATERCRAFT-AUTO exclusion;
 - (4) In those instances where an involved insured under this Coverage Form is also an insured under a policy issued by any other insurer and which policy may provide coverage for the loss or "Claim"; or
 - (5) That provides Directors and Officers or Commercial General Liability coverage for the "Association" or its officers, directors, trustees, board members, property manager, or employees.
- b. When this insurance is excess, the "Company" will have no duty under this coverage to defend any "Claim" that any other insurer has a duty to defend. If no other insurer honors its duty to defend, the "Company" may undertake to do so, but the "Company" will be entitled to the insured's rights against all such other insurers.

- c. When this insurance is excess over other insurance, the "Company" will pay only the "Company's" share of the amount of the loss, if any, that exceeds sums of:
- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
 - (2) The total of all deductible and self-insured amounts under all other insurance.

Pursuant to paragraph 3., Method of Sharing, below, the "Company" will share the remaining loss, if any, with any other insurance that is not described in the Excess Insurance provision and was not bought specifically to apply in excess of this insurance.

3. Method of Sharing

If all the other insurance permits contribution by equal shares, the "Company" will follow this method also. Under this approach, each insurer contributes equal amounts until each insurer exhausts its applicable Limit of Insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, the "Company" will contribute by limits. Under this method, the "Company's" share is based upon and limited to the "Company's" percentage of the ratio of the "Company's" applicable Limit of Insurance to the total applicable Limit of Insurance of all insurers.

E. The Company's Rights to Recover Payment

When an insured has rights to recover full or partial payment the "Company" has made under this Coverage Form, those rights are transferred to us. The involved insured must do nothing during or after a loss to impair his, her, its, or the "Company's" right of recovery. At the "Company's" request, the involved insured will bring "Suit" or transfer those rights to the "Company" and help the "Company" enforce them.

The "Company" waives any rights which this Condition may give the "Company" against:

1. Any unit owner of the condominium "Association" or members of the unit owner's household;
2. The condominium "Association"; and
3. Members of the board of directors of the condominium "Association" for acts or omissions within the scope of their duties for the condominium "Association".

The unit owner waives any rights of subrogation under this Coverage Form against the "Association" and its board of directors, collectively and individually.

F. Arbitration

The "Company" is entitled to exercise all of the insured's rights in the selection of arbitrators and the conduct of any arbitration proceeding.

G. Coverage Territory

This insurance applies anywhere in the world, however, the original "Suit" for "Damages" must be brought within the state where the "Association" is located.

H. Cross Liability/Severability of Interest

Except with respect to the Limits of Insurance, this insurance applies:

- a. As if each insured were the only insured;

- b. Protects each insured in the same manner as though a separate policy has been issued to each; and
- c. Separately to each insured against whom "Claim" is made against.

In addition, the inclusion of each insured as defined in Section II. – **WHO IS AN INSURED** shall not affect the rights of any other insured regarding any "Claim", demand, "Suit" or judgment made or brought by or in favor of any other insured.

This condition does not increase the "Company's" liability beyond the amount had only one person or interest been insured. Nothing in this Condition will affect any rights or duties specifically assigned to the "Association".

I. Knowledge of Actual or Alleged "Sexual Abuse Occurrence"

Whenever any board member, officer, trustee, director, supervisory employee, or property manager personnel of the "Association" has actual knowledge of any previous act, incident, or alleged act or incident of sexual abuse by any "Association" board member, officer, trustee, director, employee, volunteer working on behalf of the "Association", or property management personnel of sexual abuse of any person, then this coverage shall be void with respect to any subsequent alleged "sexual abuse Occurrence" involving, caused by, consisting of, or resulting from or in any way relating to sexual abuse on the part of that "Association" board member, officer, trustee, director, employee, volunteer working on behalf of the "Association", or property management personnel at any time.

V. DEFINITIONS

When used with respect to insurance under this Coverage Form:

- A. "Advertising Injury" means injury committed in the course of the "Association's" advertising activities arising out of one or more of the following offenses:
 - 1. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
 - 2. Oral or written publication of material that violates a person's right of privacy; or
 - 3. Misappropriation of advertising ideas or style of doing business.
- B. "Association" means the homeowners', condominium or townhouse "Association" or cooperative corporation listed as a Named Insured in the Declarations. The "Association" does not include any developer, or partner or member of the developer, except as specifically stated in Section II – **WHO IS AN INSURED**.
- C. "Auto" means a land motor vehicle, trailer, or semi-trailer designed and licensed for travel on public roads, which is subject to a compulsory or minimum financial responsibility statute or regulation, including any attached machinery or equipment. However, "Auto" does not include "Mobile Equipment".
- D. "Bodily Injury" means injury, sickness, or disease to the body of a person, including death at any time as a result of the injury, sickness, or disease.
- E. "Claim" means a request, demand, or a communication that a demand or request may be forthcoming, to an insured by another person or entity for money or services as a result of a purported act or omission by an insured or a purported act or omission on behalf of an insured.
- F. "Cannabis":
 - 1. Means any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph F.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:
- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
 - b. Any compound, byproduct, extract, derivative, mixture or combination, such as:
 - (1) Resin, oil or wax;
 - (2) Hash or hemp; or
 - (3) Infused liquid or edible cannabis;
- whether or not derived from any plant or part of any plant set forth in Paragraph F.2.a.

G. “Communicable Disease” means:

1. A disease, illness or condition that can be transmitted directly or indirectly from person-to-person, animal (including insect)-to-person, animal-to-animal (including insect), or from the inanimate environment to a human or animal, by contact, exposure, or by means of vector or fomites; and
2. Includes, but is not limited to, the following and any variant(s) or mutational strains thereof: Acquired immune deficiency syndrome (AIDS) or human immunodeficiency virus (HIV, including but not limited to HIV 1 and HIV-2); human t-cell lymphotropic virus (HTLV, including but not limited to HTLV-I, HTLV-II); any hepatitis virus; severe acute respiratory syndrome (SARS) including but not limited to SARS-CoV-2 (the novel coronavirus that caused coronavirus disease 2019, COVID-19); Middle East Respiratory Syndrome (MERS, including but not limited to MERS –CoV); herpes virus; any venereal disease or sexually transmitted disease, illness or condition; Zika virus, Norovirus; any of the Ebola virus species; Chronic Wasting Disease (CWD); Escherichia coli (E.coli); Influenza (including, but not limited to, all strains and mutations of avian, human or swine flu); Measles, Methicillin-resistant Staphylococcus Aureus (MRSA); Salmonellosis; Legionnaires Disease; Transmissible Spongiform Encephalopathy (TSE) (including, but not limited to, Bovine Spongiform Encephalopathy (BSE, mad cow disease); Creutzfeldt-Jacob disease (nvCJD) including but not limited to New Variant Creutzfeldt-Jakob Disease; Gerstmann-Straussler-Scheinker syndrome (GSS); fatal familial insomnia (FFI); kuru; Tuberculosis, and West Nile Virus.

H. The “Company” means the insurer providing the coverage afforded under this Coverage Form.

I. “Damages” means any monetary compensatory amount that an insured is legally obligated to pay, including judgments, awards, and settlements entered into with the “Company’s” prior written consent.

However, “Damages” does not include, by way of description and not of limitation, any form of equitable relief, costs associated with complying with injunctions or temporary restraining orders, or any exemplary, statutorily imposed treble or multiple “Damages”, fines, penalties, remedial, or punitive judgments or awards.

J. “Defense Expense” means payment allocated to a specific “Claim” or “Suit” for its investigation, settlement, or defense, including:

1. Attorneys’ fees and any other reasonable litigation expenses;
2. The cost of bonds to appeal a judgment or award in any “Suit” the “Company” defends;
3. Up to \$2,000 for the cost of bail bonds required due to an accident or traffic law violation resulting from the use of any vehicle to which the “Bodily Injury” Liability Coverage applies;
4. The cost of bonds to release attachments, but only for bond amounts within amount provided by this coverage. These bonds do not have to be furnished by the Company;

5. All reasonable expenses that are incurred by any insured, at the Company's request, during the process of assisting the Company in the investigation or defense of the "Claim" or "Suit", including actual loss of earnings up to \$250 a day because of time off from work, or for property managers for time at work in addition to normal working hours necessary to assistance to the "Company" in defense of the "Claim" or "Suit", not to exceed \$5,000 per "Claim" for all insureds;
6. All costs taxed against the insured in the "Suit";
7. All interest on the full amount of any judgment that accrues after entry of judgment and before the "Company" has paid, offered to pay, or deposited in court the amount available for the judgment under this Coverage Form; and
8. Expenses for any dispute resolution proceeding, including but not limited to arbitration and mediation, to which this insurance applies and to which an insured must submit or do submit with the "Company's" consent.

"Defense Expense" does not include:

- a. Salaries and expenses of an insured's officers, directors, board members, trustees, employees, property manager, and property manager's employees; and
- b. Fees and expenses of independent adjusters hired by the Company.

Each annual period means each consecutive period of one year commencing from the inception date of this Coverage Form, through the expiration date listed in the Declarations.

- K.** "Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by "Fungi".
- L.** "Hostile Fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
- M.** "Impaired Property" means tangible property, other than "Insured's Product" or "Insured's Work", that cannot be used or is less useful because:
1. It incorporates "Insured's Product" or "Insured's Work" that is known or thought to be defective, deficient, inadequate, or dangerous; or
 2. An insured failed to fulfill the terms of a contract or agreement;
- If such property can be restored to use by the repair, replacement, adjustment, or removal of "Insured's Product" or "Insured's Work" and an insured fulfilling the terms of the contract or agreement.
- N.** "Insured Contract" means:
1. A written contract for a lease of premises;
 2. A written sidetrack agreement;
 3. Any easement or license agreement in connection with vehicle or pedestrian private railroad crossing at grade, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 4. Indemnification of a municipality as required by ordinance, except in connection with work for a municipality;
 5. A written elevator maintenance agreement,

6. That part of any other written contract or agreement pertaining to the “Association’s” business under which the “Association” assumes the tort liability of another to pay “Damages” because of “Bodily Injury” or “Property Damage” to a third person or organization, if the written contract or agreement is executed by the “Association” prior to the inception of the “Bodily Injury” or “Property Damage”. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An “Insured Contract” does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- a. Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
- b. Giving directions or instruction, or failing to give them, if that is a primary cause of the injury or damage.

O. “Insured’s Product” means:

1. Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. An insured;
 - b. Others trading under an insured’s name; or
 - c. a person or organization whose business or assets an insured acquired;
2. Containers (other than vehicles), materials, parts of equipment furnished in connection with such goods or product; and
3. Warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included above.

“Insured’s Product” does not include vending machine or other property rented to or located for the use of others but not sold.

P. “Insured’s Work” means:

1. Work or operation performed by an insured or on behalf of an insured;
2. Materials, parts or equipment furnished in connection with such work or operation; and
3. Warranties or representation made at any time with respect to the fitness, quality, durability, or performance related to paragraphs 1. and 2., above.

Q. “Loading or Unloading” means the handling of property:

1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft, or “Auto”;
2. While it is in or on an aircraft, watercraft, or “Auto”; or
3. While it is being moved from an aircraft, watercraft, or “Auto” to the place where it is finally delivered.

But “loading or unloading” does not include the movement of property by means of a mechanical device, other than by hand truck that is not attached to an aircraft, watercraft, or “Auto”.

R. “Medical Expense” means reasonable expenses for:

1. First aid at the time of an accident;

2. Necessary medical, surgical, x-ray, and dental services, including prosthetic devices; and
3. Necessary ambulance, hospital, professional nursing, and funeral services;

which are incurred within 12 months of the inception of the "Bodily Injury" and caused by or resulting from the "Bodily Injury" incurred in the accident.

- S.** "Mobile Equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts, and other vehicles designed for use principally off public roads;
 2. Vehicles maintained for use solely on or next to premises insured owns or rents;
 3. Vehicles that travel on crawler treads;
 4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - a. Power cranes, shovels, loaders, diggers, or drills; or
 - b. Road construction or resurfacing equipment such as graders, scrapers, or rollers.
 5. Vehicles not described in 1. through 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment; or
 - b. Cherry pickers and similar devices used to raise or lower workers, material, or equipment;
 6. Vehicles not described in 1. through 4. above maintained primarily for purposes other than the transportation of persons or cargo.
- However, self-propelled vehicles with following types of permanently attached equipment are not "Mobile Equipment" but will be considered "Autos":
- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
 - (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers, material, or equipment; and
 - (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting, and well servicing equipment.
- T.** "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions which results in "Bodily Injury" or "Property Damage".
- U.** "Personal Injury" means injury, other than "Bodily Injury", arising out of one or more of the following offenses committed in the course of the "Association's" business, other than the "Association's" advertising activities:
1. False arrest, wrongful detention or imprisonment, or malicious prosecution;

2. Wrongful entry into, or eviction from a room, dwelling or premise that the person occupies by an owner, board member, officer, trustee, agent or employee of the "Association" while acting within the scope of their duties as such;
 3. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services; and
 4. Oral or written publication of material that violates a person's right of privacy.
- V. "Pollutants" means any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, radiation or radioactive contamination, pathogenic or poisonous biological or chemical materials and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- W. "Products-Completed Operations Hazard":
1. Includes all "Bodily Injury" and "Property Damage" occurring away from premises an insured owns or rents and arising out of an "Insured's Product" or an "Insured's Work" except:
 - a. Products that are still in an insured's physical possession; or
 - b. Work that has not yet been completed or abandoned. However, the "Insured's Work" will be deemed completed at the earliest of the following times:
 - (1) When all of the work called for in an insured's contract has been completed;
 - (2) When all of the work to be done at the site has been completed if the insured's contract calls for work at more than one site.
 - (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
 2. Does not include "Bodily Injury" or "Property Damage" arising out of:
 - a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle created by the "loading or unloading" of it;
 - b. The existence of tools, un-installed equipment or abandoned or unused materials;
 - c. Products or operations for which the classification in the "Company's" manual of rules includes products or completed operations.
- X. "Property Damage" means
1. Physical injury to tangible property including all resulting loss of use of that property, all such loss of use shall be deemed to occur at the inception of the physical injury that caused it; or
 2. Loss of use of tangible property that is not physically injured, all such loss of use shall be deemed to occur at the inception of the "Occurrence" that caused it.
- Y. "Sexual Abuse" means the infliction or threatened infliction of harm of a sexual nature upon any person by another person or persons, whether such harm is physical, emotional, or psychological and is caused by or the result of physical, visual, or audible conduct.
- Z. "Sexual Abuse Occurrence" means the exposure of any person to sexual abuse by any person(s). All such exposure, including multiple interactions occurring over any period of time, shall be considered to have occurred at the time of the first exposure and during the policy year of the first such exposure

AA. "Suit" means a civil proceeding in which "Damages" are sought because of an alleged "Occurrence" or offense by or on behalf of an insured resulting in "Bodily Injury", "Property Damage", "Personal Injury", "Advertising Injury" to which this insurance applies are alleged. "Suit" includes:

1. An arbitration proceeding in which such "Damages" are sought and to which insured must submit or do submit with the "Company's" consent; or
2. Any other alternative dispute resolution proceeding in which such "Damages" are sought and to which insured submits with the "Company's" consent.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS - NON-OWNED AND HIRED AUTO LIABILITY INSURANCE ENDORSEMENT

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

Coverage under this form is incorporated in and made a part of the **Commercial General Liability Coverage Form** attached to this policy. Unless there are specific provisions in this form which are contrary to or differ from those of the **Commercial General Liability Coverage Form**, the exclusions, definitions, terms and conditions of the **Commercial General Liability Coverage Form** apply to this endorsement, too.

SECTION I – NON-OWNED AND HIRED AUTOMOBILE LIABILITY

A. Coverage Agreement

The “Company” will pay “Damages” the “Association” becomes legally obligated to pay because of “Bodily Injury” and “Property Damage” caused by an “Accident” which occurs due to the maintenance, use, loading, or unloading of a “Covered Auto” by an officer, director, or employee of the “Association” while they are conducting their duties pertaining to “Association” business. The accident and the “Bodily Injury” or “Property Damage” must occur during the policy period and within the coverage territory.

The “Company” will defend any claim or “Suit” against the “Association” seeking such “Damages” to which this coverage applies. The “Company” may investigate and settle, at the “Company’s” discretion, any claim or “Suit” against the Association. The “Company” has no obligation under this insurance to make payments or to perform acts or services except as provided in this section. When the “Company’s” limit of insurance is exhausted by payment of a judgment or by settlement to which the “Company” agreed in writing, the “Company’s” defense obligation ends. The “Company” has no obligation to defend any claim or “Suit” or to perform other acts or services under this policy if this insurance does not apply to the claim or “Suit”.

B. Supplementary Payments

In addition to the Limits of Insurance:

The “Company” will pay the following expenses for a claim or “Suit” the “Company” defend:

1. All of the “Company’s” expenses.
2. An insured’s expenses incurred at the “Company’s” request, including actual loss of earnings not to exceed \$250 per day.
3. Premiums for attachment bonds for amounts up to the applicable Limit of Insurance, and the cost of bail bonds not to exceed \$2,000. The “Company” does not have to furnish these bonds.
4. All costs taxed against the insured.
5. All interest on the full amount of any judgment that accrues after entry of the judgment, but the “Company’s” duty to pay interest ends when the “Company” have paid or offered to pay or deposited in court that part of the judgment which is within the “Company’s” Limit of Insurance.

C. Exclusions

This insurance does not apply to:

1. Expected or Intended Damages

“Bodily Injury” or “Property Damage” expected or intended from the standpoint of an insured.

2. Contractual

Liability assumed under any contract or agreement. This exclusion does not apply to liability for “Damages”:

- a. Assumed in a contract or agreement that is an “Insured Contract”; or
- b. That the insured would have in the absence of the contract or agreement.

3. Workers Compensation

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

4. Employee Indemnification and Employer’s Liability

“Bodily Injury” to:

- a. An employee of the “Association” or of any property management agency of the “Association” caused by or resulting from and in the course of his or her employment by the “Association” or the property management agency of the “Association”; or
- b. The spouse, child, parent, brother or sister of that employee as a consequence of paragraph **a.** above

This exclusion applies:

- c. Whether the insured may be liable as an employer or in any other capacity; and
- d. To any obligation to share damage with or repay someone else who must pay “Damages” because of injury.

But this exclusion does not apply to “Bodily Injury” to domestic employees not entitled to workers’ compensation benefits or to liability assumed by the insured under an “Insured Contract”.

5. Fellow Employee

“Bodily Injury” to any fellow employee of the insured arising out of and in the course of the fellow employee’s employment.

6. Care, Custody or Control

“Property Damage” to property owned or being transported by, or rented or loaned to any insured or property in an insured’s care, custody or control.

7. Handling of Property

“Bodily Injury” or “Property Damage” resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the insured for movement into or onto the “Covered Auto”; or

b. After it is moved from the "Covered Auto" to the place where it is finally delivered by the insured.

8. Movement of Property by Mechanical Device

"Bodily Injury" or "Property Damage" resulting from the movement of property by mechanical device (other than a hand truck) unless the device is attached to the "Covered Auto".

9. Mobile Equipment Operations

"Bodily Injury" or "Property Damage" arising out of the operation of any equipment listed in paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

10. Completed Operations

"Bodily Injury" or "Property Damage" arising out of an "Insured's Work" after that work has been completed or abandoned.

In this exclusion "Insured's Work" means:

- a. Work or operations performed by the "Association" or on its behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

"Insured's Work" includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in paragraphs a. or b. above.

"Insured's Work" will be deemed completed at the earliest of the following times:

- c. When all of the work called for in the "Association's" contract has been completed.
- d. When all of the work to be done at the site has been completed if the "Association's" contract calls for work at more than one site.
- e. When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

11. Pollution

- a. "Bodily Injury" or "Property Damage" arising out of the actual, alleged or threatening discharge, dispersal, release, dissemination, or escape of "Pollutants".

(1) that are, or that are contained in any property that is:

- (a) being transported or towed by, or handled for movement into, onto or from, the "Covered Auto";
- (b) otherwise in the course of transit by the insured; or
- (c) being stored, disposed of, treated or processed in or upon the "Covered Auto".

(2) before the "Pollutants" or any property or item in which the "Pollutants" are contained are moved from the place where they are accepted by the "Association" for movement into or onto the "Covered Auto"; or

(3) after the "Pollutants" or any property in which the "Pollutants" are contained are moved from the place where they are finally delivered, disposed of or abandoned by an insured.

- b. Any loss, cost or expense arising out of any governmental direction or request that the "Association" test for, monitor, clean up, remove, contain, treat, detoxify or neutralize "Pollutants".

Paragraph **a.(1)(c)** does not apply to fuels, lubricants, fluids, exhaust gases or other similar "Pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the "Covered Auto" or its parts, if:

- c. The "Pollutants" escape or are discharged, dispersed, disseminated, or released directly from a "Covered Auto" part designed by its manufacturer to hold, store, receive or dispose such "Pollutants"; and
- d. The "Bodily Injury" or "Property Damage" does not arise out of the operation of any equipment listed in paragraphs **P.2.** and **P.3.** of the definition of "Mobile Equipment" found under the **Commercial General Liability Coverage Form.**

Paragraphs **a.(2)** and **a.(3)** of this exclusion do not apply if:

- e. The "Pollutants" or any property or item in which the "Pollutants" are contained are upset, overturned or damaged as a result of the use of a "Covered Auto"; and
- f. The discharge, dispersal, release, dissemination, or escape of the "Pollutants" is caused directly by such upset, overturn or damage.

This pollution exclusion does not apply to "Bodily Injury" or "Property Damage" caused by heat, smoke, or fumes from a hostile fire. A hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be.

12. War

"Bodily Injury" or "Property Damage" caused by or resulting from war, whether or not declared, or any act or condition incident to war. War includes civil war, insurrection, rebellion or revolution.

D. Limits of Insurance

The most the "Company" will pay for all "Damages" because "Bodily Injury" or "Property Damage" sustained as a result of an "Accident" is the amount stated in the Declarations for Non-Owned and Hired Auto Liability. All "Bodily Injury" and "Property Damage" arising out of continuous or repeated exposure to substantially the same general condition will be considered as arising out of one "Accident". However, the Limits of Insurance shall not be reduced by any sums paid or payable under Social Security disability benefits.

E. Who Is An Insured

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

1. The "Association" for use of any "Covered Auto".
2. Any officer, director, trustee, or employee of the "Association" while using, with the "Association's" permission and in furtherance of the "Association's" business, a "Covered Auto" except:
 - a. The owner or anyone else from whom the "Association's", Officers, Directors, Trustee, or Employee hires or borrows a "Covered Auto";
 - b. An officer, director, trustee, or employee of the "Association" if the "Covered Auto" is owned by that officer, director, trustee, or employee or a resident of his or her household;
 - c. Anyone using a "Covered Auto" while he or she is working in a business of selling, servicing, repairing, or parking "Autos", unless that business is the Association's;

- d. Anyone while moving property to or from a "Covered Auto", other than the "Association's" officers, directors, trustees, or employees or a lessee or borrower of any "Auto" from the "Association" or any of its officers, directors, or trustees or any of borrower's or lessee's employees;
- e. A partner of any officer, director, or trustee of the "Association" for a "Covered Auto" owned by him or her or member of his or her household.

3. Anyone else, not otherwise excluded in **2.a-e.** above, who is liable for the conduct of an insured, but only to the extent of that liability.

F. Additional Conditions

For the purpose of this Coverage, the Conditions stated in the Community Commercial General Liability Insurance form are incorporated herein, except where different Conditions are stated hereafter.

1. Coverage Territory

This insurance applies anywhere in the United States of America, its territories and possessions. The "Suit" for "Damages" must be brought within the state where the "Association" is permanently located.

2. Other Insurance

This insurance is excess over any other valid and collectible insurance available to the insured.

G. Additional Definitions

For the purpose of the coverage provided by this endorsement, the definitions stated in the **Commercial General Liability Coverage Form** are incorporated herein, except where different definitions are stated hereafter.

- 1. "Accident" means a fortuitous event in the use, maintenance or operation of a "Covered Auto" which results in "Bodily Injury" or "Property Damage" sustained by one or more persons or organizations. All "Bodily Injury" and "Property Damage" arising out of continuous or repeated exposure to substantially the same general condition will be considered as arising out of one "Accident".
- 2. "Covered Auto" means a four wheeled vehicle of less than 16,000 lbs gross weight, designed and licensed for use on public roadways, used in or for the "Association's" business or operations, and which the "Association" does not own, or hire, rent or lease for a period in excess of 29 consecutive days. Hired, borrowed, rented, and leased "Autos" do not include "Autos" the "Association" hires, leases, rents or borrows, regardless of the length of time, from any officers, directors, trustees, employees of the "Association" or from the "Association's" property management agency or an employee of the property management agency or from a "Family Member" of any of the aforementioned.
- 3. "Family Member" means a person related to an insured by blood, marriage or adoption who is a resident of the insured's household, including a ward or foster child.
- 4. Insured Contract means a written:
 - a. Sidetrack agreement;
 - b. Other easement agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
 - c. Part of any other written contract or agreement for the rental or lease of an "Covered Auto" that directly relates to the "Association's" business under which the "Association" assumes the tort liability of another to pay "Damages" because of "Bodily Injury" to a third person or organization, if the written contract or agreement is executed by the "Association" prior to the inception of the "Bodily Injury".

For the purpose of this coverage, Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

An "Insured Contract" does not include that part of any contract or agreement that indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- (1) Preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
- (2) Giving directions or instruction, or failing to give them, if that is a primary cause of the injury or damage.

5. Loading or Unloading means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto a "Covered Auto";
- b. While it is in or on a "Covered Auto"; or
- c. While it is being moved from a "Covered Auto" to the place where it is finally delivered; or people while they are in the process of getting into or out of a "Covered Auto"

6. Occupying means in, upon, getting in, on, out or off "Covered Auto".

SECTION II – UNINSURED MOTORIST COVERAGE

A. Coverage

The "Company" will pay all sums the insured is legally entitled to recover as "Damages" from the owner or driver of an uninsured motor vehicle. The "Damages" must result from "Bodily Injury" sustained by the insured while occupying a "Covered Auto" and be caused by an "Accident". The owner's or driver's liability for these "Damages" must result from the ownership, maintenance or use of the uninsured motor vehicle.

Any judgment for "Damages" arising out of a "Suit" brought without the "Company's" written consent is not binding on the "Company".

B. Who Is An Insured

1. An officer, director, and employee of the "Association" while acting within the scope of his or her duties for the Association.
2. Anyone else occupying a "Covered Auto".
3. Anyone for "Damages" he or she is entitled to recover because of "Bodily Injury" sustained by another insured.

C. Exclusions

This insurance does not apply to any of the following:

1. Any claim settled without the "Company's" consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily Injury" sustained by:
 - a. An insured while occupying any vehicle that is not a "Covered Auto" under this form; or

- b. Any "Family Member" of an insured while occupying a vehicle other than a "Covered Auto" under this form or when struck by any vehicle owned by that "Family Member".

4. Punitive or exemplary "Damages".

D. Limit of Insurance

- 1. Regardless of the number of "Covered Autos", insureds, premiums paid, claims made or vehicles involved in an "Accident", the most the "Company" will pay for all "Damages" resulting from any one "Accident" is the Limit of Insurance for Uninsured Motorists Insurance stated in the Declarations. However, the Limits of Insurance shall not be reduced by any sums paid or payable under Social Security disability benefits.
- 2. The "Company" will apply the limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
 - a. \$25,000 for "Bodily Injury" to any one person caused by any one "Accident", and
 - b. \$50,000 for "Bodily Injury" to two or more persons caused by any one "Accident".

This provision will not change the "Company's" total limit of liability.

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

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

The "Company" will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any workers' compensation, or similar law.

E. Changes in Conditions

The Conditions are changed for Uninsured Motorists Insurance Coverage as follows:

- 1. Other Insurance in the Community Commercial General Liability Coverage form is replaced by the following:
 - a. If there is other applicable insurance available under one or more policies or provisions of coverage:
 - (1) The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
 - (2) Any insurance the "Company" provides with respect to a "Covered Auto" shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
 - b. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, the "Company" will pay only the "Company's" share of the loss that must be paid under insurance providing coverage on a primary basis. The "Company's" share is the proportion that the "Company's" limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, the "Company" will pay only the "Company's" share of the loss that must be paid under insurance providing coverage on an excess basis. The "Company's" share is the proportion that the "Company's" limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

2. Duties In The Event Of Accident, Claim, Suit or Loss is changed by adding the following:
 - a. Promptly notify the police if a hit-and-run driver is involved, and
 - b. Promptly send the "Company" copies of the legal papers if a "Suit" is brought.
3. Transfer of Rights of Recovery Against Others to the "Company" does not apply.
4. Additional Conditions Applicable To This Section Only
 - a. If the "Company" makes any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for the "Company" and pay the "Company" back the amount the "Company" has paid.
 - b. Arbitration
 - (1) If the "Company" and an insured disagree whether the insured is legally entitled to recover "Damages" from the owner or driver of an "Uninsured Motor Vehicle" or do not agree as to the amount of "Damages", then the disagreement will be settled in accordance with the rules of the American Arbitration Association. However, if the insured requests, the "Company" and the insured will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. The "Company" will bear all the expenses of the arbitration except when the insured's recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law. If this occurs, the insured will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the insured's recovery exceeds the statutory minimum.
 - (2) Unless both parties agree otherwise, arbitration will take place in the county in which the "Association" is located. Local rules of law as to arbitration procedure and evidence will apply. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding.
 - (3) Any decision made by the arbitrators shall be binding for the amount of damages not exceeding \$75,000 for bodily injury to or death of any one person, \$150,000 for bodily injury to or death of 2 or more persons in any one motor vehicle accident, or the corresponding policy limits for bodily injury or death, whichever is less.
5. Additional Definition Applicable To This Section Only
 - a. "Uninsured Motor Vehicle" means a land motor vehicle or trailer:
 - (1) For which no liability bond or policy at the time of an "Accident" provides at least the amounts required by the applicable law where a "Covered Auto" is principally garaged; or
 - (2) For which an insuring or bonding "Company" denies coverage or is or becomes insolvent; or
 - (3) that is a hit-and-run vehicle and neither the driver nor the owner can be identified. The vehicle must hit, or cause an object to hit a "Covered Auto" an insured is occupying, If there is no physical contact with the hit- and-run vehicle, the facts of the "Accident" must be proved.However, "Uninsured Motor Vehicle" does not include any vehicle:
 - (4) Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
 - (5) Owned by a governmental unit or agency; or
 - (6) Designed for use mainly off public roads while not on public roads.

SECTION III – UNDERINSURED MOTORISTS COVERAGE

A. Coverage

1. The “Company” will pay all sums the insured is legally entitled to recover as “Damages” from the owner or driver of an “Underinsured Motor Vehicle”. The “Damages” must result from “Bodily Injury” sustained by the insured caused by an “Accident”. The owner’s or driver’s liability for these “Damages” must result from the ownership, maintenance or use of the “Underinsured Motor Vehicle”.
2. The “Company” will pay only after all liability bonds or policies have been exhausted by judgments or payments, unless:
 - a. The “Company” have been given prompt written notice of a “Tentative Settlement” and decide to advance payment to the insured in an amount equal to that “Tentative Settlement” within 30 days after receipt of notification; or
 - b. The “Company” and an insured have reached a “Settlement Agreement”.
3. Any judgment for “Damages” arising out of a “Suit” brought without written notice to the “Company” is not binding on the “Company”.

B. Who Is An Insured

1. An officer, director, and employee of the “Association” while acting within the scope of his or her duties for the Association.
2. Anyone else occupying a “Covered Auto”.
3. Anyone for “Damages” he or she is entitled to recover because of “Bodily Injury” sustained by another insured.

C. Exclusions

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
2. “Bodily Injury” sustained by:
 - a. An insured while occupying any vehicle that is not a “Covered Auto” under this form; or
 - b. Any “Family Member” of an insured while occupying any vehicle that is not a “Covered Auto” under this form.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so and without a valid, current driver’s license.
4. Punitive or exemplary damages.

D. Limit Of Insurance

1. Regardless of the number of “Covered Autos”, insureds, premiums paid, claims made or vehicles involved in the “Accident”, the most the “Company” will pay for all “Damages” resulting from any one “Accident” is the Limit of Insurance for Underinsured Motorist Coverage shown in the Declarations. However, the Limits of Insurance shall not be reduced by any sums paid or payable under Social Security disability benefits.
2. Except in the event of a “Settlement Agreement”, the Limit of Insurance for this coverage shall be reduced by all sums paid or payable:
 - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Liability Coverage.

- b. Under any workers' compensation, or similar law.
 - c. Under any automobile medical payments coverage.
3. In the event of a "Settlement Agreement", the maximum Limit Of Insurance for this coverage shall be the amount by which the limit of insurance for this coverage exceeds the limits of "Bodily Injury" liability bonds or policies applicable to the owner or operator of the "Underinsured Motor Vehicle".
 4. No one will be entitled to receive duplicate payments for the same elements of loss under this Coverage Section and any Liability Coverage, including Uninsured Motorist Coverage, Section II, above.

E. Changes In Conditions

The conditions are changed for Underinsured Motorists Coverage as follows:

1. Condition **IV.D. Other Insurance** in the **Commercial General Liability Coverage Form** is replaced by the following:
 - a. If there is other applicable insurance available under one or more policies or provisions of coverage:
 - (1) The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.
 - (2) Any insurance the "Company" provides with respect to a "Covered Auto" shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
 - b. If the coverage under this Coverage Form is provided:
 - (1) On a primary basis, the "Company" will pay only the "Company's" share of the loss that must be paid under insurance providing coverage on a primary basis. The "Company's" share is the proportion that the "Company's" limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
 - (2) On an excess basis, the "Company" will pay only the "Company's" share of the loss that must be paid under insurance providing coverage on an excess basis. The "Company's" share is the proportion that the "Company's" limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.
2. Condition **IV.B. Duties in the Event of Occurrence, Claim or Suit** in the **Commercial General Liability Coverage** is changed by adding the following:
 - a. Give the "Company" written notice of a "Tentative Settlement" and allow the "Company" to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve the "Company's" rights against the owner or operator of the "Underinsured Motor Vehicle".
 - b. File "Suit" against the owner or operator of the "Underinsured Motor Vehicle" prior to the conclusion of a "Settlement Agreement". Such "Suit" cannot be abandoned or settled without giving the "Company" written notice of a "Tentative Settlement" and allowing the "Company" 30 days to advance payment in an amount equal to that settlement to preserve the "Company's" rights against the owner or operator of the "Underinsured Motor Vehicle".
 - c. Promptly send the "Company" copies of the legal papers if a "Suit" is brought.
3. The following is added:

Transfer of Rights of Recovery Against Others to the "Company" does not apply to "Damages" caused by an "Accident" with an "Underinsured Motor Vehicle" if the "Company":

- a. Have been given written notice of a "Tentative Settlement" between an insured and the insurer of an "Underinsured Motor Vehicle"; and
- b. Fail to advance payment to the insured in an amount equal to the "Tentative Settlement" within 30 days after receipt of the notice.

If the "Company" advance payment to the insured in an amount equal to the "Tentative Settlement" within 30 days after receipt of notice:

- c. That payment will be separate from any amount the insured is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- d. The "Company" will also have a right to recover the advanced payment.

However, in the event of a "Settlement Agreement", the "Company" shall be entitled to recover only for amounts which exceed the limit of "Bodily Injury" liability bonds or policies applicable to the owner or operator of the "Underinsured Motor Vehicle".

4. Additional Conditions Applicable To This Section Only

a. Reimbursement and Trust

If the "Company" makes any payment and the insured recovers from another party, the insured shall hold the proceeds in trust for the "Company" and pay the "Company" back the amount the "Company" has paid.

However, in the event of a "Settlement Agreement", the "Company" shall be entitled to recover only for amounts which exceed the limit of "Bodily Injury" liability bonds or policies applicable to the owner or operator of the "Underinsured Motor Vehicle".

b. Arbitration

(1) If the "Company" and an insured disagree whether the insured is legally entitled to recover "Damages" from the owner or driver of an "Underinsured Motor Vehicle" or do not agree as to the amount of "Damages" that are recoverable by that insured, then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.

(2) Unless both parties agree otherwise, arbitration will take place in the county in which the insured lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

F. Additional Definitions Applicable to this Section

As used in this endorsement:

1. "Settlement Agreement" means the "Company" and an insured agree that the insured is legally entitled to recover, from the owner or operator of the "Underinsured Motor Vehicle", "Damages" for "Bodily Injury" and, without arbitration, agree also as to the amount of "Damages". Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the insured with the owner or operator of the "Underinsured Motor Vehicle".
2. "Tentative Settlement" means an offer from the owner or operator of the "Underinsured Motor Vehicle" to compensate an insured for "Damages" incurred because of "Bodily Injury" sustained in an "Accident" involving an "Underinsured Motor Vehicle".

3. "Underinsured Motor Vehicle" means a land motor vehicle or trailer for which the sum of all liability bonds or policies at the time of an "Accident" provides at least the amounts required by the applicable law where a "Covered Auto" is principally garaged but their limits are less than the limit of this coverage. However, "Underinsured Motor Vehicle" does not include any vehicle:
- a. Owned or operated by any self-insurer under any applicable motor vehicle law;
 - b. Owned by a governmental unit or agency;
 - c. Designed for use mainly off public roads while not on public roads; or
 - d. Which is an uninsured motor vehicle, as defined in Section II.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

SCHEDULE

Premises
Per legal description defined in Declarations and By Laws of Condominium Association of St. James.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

In consideration of the premium charged, it is agreed that:

- A.** This insurance applies only to “bodily injury”, “property damage”, “personal injury”, “advertising injury”, and medical expenses arising out of the ownership, maintenance or use of the premises shown in the SCHEDULE above and operations necessary to those premises.
- B.** If a “claim” is made or a “suit” is filed against any insured seeking “damages” due to “bodily injury”, “property damage”, “personal injury”, “advertising injury”, and medical expense arising out of or in any manner due to an occurrence, to which this coverage otherwise applies, which takes place at premises which are part of the Master Association (of which the named insured’s premises comprise only a portion) or any other Sub Association of the Master Association, but not at the premises listed in the SCHEDULE above, we will have no obligation or duty to make any payment for or on behalf of an insured for any of the “damages” sought.
- C.** To the extent the insurer(s) of the Master Association or of any Sub Association of the Master Association fails to provide a defense for the insured against which the “claim” or “suit” is brought we shall provide a defense to an insured for such “claim” or “suit”. Provided however, any defense of an insured provided by us for such “claim” or “suit” shall be on an excess basis as provided in Section **IV. LIABILITY INSURANCE CONDITIONS, D. Other Insurance**, paragraph 2., over the insurance provided by the insurer of any unit owner, the Master Association, and/or any other relevant Sub Association and shall not limit our right of recovery of “defense expenses” we incur against such other insurer.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SOLAR PANEL EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided by the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

In consideration of the premium charged, it is agreed that:

A. The following exclusion is added to **C. Exclusions** of **I. COVERAGES A. Insuring Agreement**:

This insurance does not apply to "Bodily Injury", "Property Damage", "Personal Injury", or "Advertising Injury" arising out of, caused by, resulting from, consisting of, or related to, directly or indirectly, in whole or in part, "Solar Panels", regardless of any other cause or event that contributes concurrently or in any other sequence therewith.

B. For the purpose of this endorsement the following Definition is added to **V. DEFINITIONS** of the policy:

"Solar Panels" means all components necessary to capture and convert solar radiation to power, including but not limited to: elevated panes or plates, or a canopy or array thereof; the bases or foundation of the panels, plates, canopy, or array thereof; charge controllers; power inverters; storage batteries; generators; wires and cables; and meters and monitors; whether or not attached to a building.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

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

A. The following exclusion is added:

This insurance does not apply to:

TERRORISM

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

B. The following definitions are added:

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.

2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:
- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS GENERAL LIABILITY CHANGES

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

In consideration of the premium charged, it is agreed that:

1. Section **I. COVERAGES**, subsection **B. Defense of Claims**, paragraph **4.** subparagraph **f.** is deleted in its entirety.
2. Section **I. COVERAGES**, subsection **C. Exclusions**, paragraph **24. Sexual Abuse** is deleted in its entirety and replaced by the following:
 - 24. "Sexual Abuse"**

"Bodily Injury", "Property Damage", or "Personal Injury" caused by, resulting from, or consisting of any actual, threatened, intentional, unintentional, or alleged sexual abuse of any person. This exclusion also applies to any allegation against the "Association" or its property manager relating to any alleged incident of "sexual abuse" concerning negligent, reckless, intentional, or willful and wanton employment, investigation, supervision, training, reporting or failure to report sexual abuse to proper authorities, and retention of a person for whom the "Association" or its property manager is or ever was legally responsible; provided that this exclusion shall not apply to vicarious liability.
3. Section **IV. LIABILITY INSURANCE CONDITIONS**, subsection **F. Arbitration** is deleted in its entirety and replaced by the following:
 - F. Arbitration**

If a loss covered under this Coverage Form is subject to arbitration or mediation, the "Company" is entitled to exercise all of the insured's rights in the selection of arbitrators and the conduct of any arbitration proceeding.
4. Section **IV. LIABILITY INSURANCE CONDITIONS**, subsection **I. Knowledge of Actual or Alleged "Sexual Abuse Occurrence"** is deleted in its entirety and replaced by the following:
 - J. Knowledge of Actual or Alleged "Sexual Abuse Occurrence"**

Whenever any board member, officer, trustee, director, supervisory employee, or property manager personnel of the "Association" has actual knowledge of any previous act, incident, or alleged act or incident of sexual abuse by any "Association" board member, officer, trustee, director, employee, volunteer working on behalf of the "Association", or property management personnel of sexual abuse of any person, then this coverage shall be null with respect to any subsequent alleged "sexual abuse Occurrence" involving, caused by, consisting of, or resulting from or in any way relating to sexual abuse on the part of that "Association" board member, officer, trustee, director, employee, volunteer working on behalf of the "Association", or property management personnel at any time.
5. Section **V. DEFINITIONS**, subsection **I. "Defense Expense"**, paragraph **7.** is deleted in its entirety.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – CYBER INCIDENT

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

A. The following is added to **Section I. – Coverages**
C. Exclusions

This insurance does not apply to:

Cyber Incident

Damages, costs and expenses, either directly or indirectly because of, caused by or arising out of:

1. Any:

- a. Unauthorized, access to, acquisition, use, collection, copying, processing, storage, dissemination, publication or disclosure of;
- b. Theft, alteration, misuse, loss, misappropriation, disruption of, or damage to; or
- c. Failure to provide access to, remove, rectify, destroy, protect or secure, including, but not limited to, failure to encrypt;

any person's or organization's "confidential information", whether it is "electronic data" or in any other form or media.

2. The loss of, loss of use of, corruption or impairment of, damage to, disruption or destruction of, or inability to access, alter or manipulate "electronic data".

3. Any of the following:

- a. Denial of service attack on;
- b. Misappropriation, diversion, loss or misuse of; or
- c. Denial of access to or service of, interruption of service, degradation, loss of use, alteration, failure, destruction, corruption, impairment of;

any "computer system", including any insured's or other person's or organization's "computer system".

- 4. Malicious code, virus or any other harmful code that:
 - a. Is directed at, enacted upon or introduced into "electronic data" or any "computer system"; or
 - b. Is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use, prevent or restrict access to, or otherwise disrupt the normal functioning or operation of "electronic data" or any "computer system".
- 5. Transfer, payment or delivery of money or any form of currency, including virtual currency, in response to a fraudulent instruction or demand.
- 6. Demand for a ransom payment (in money, or any form of currency, including virtual currency, or property or services), made in connection with the actual or threatened perpetuation of that which is described in paragraphs 1. through 5. above.

Such damages, costs or expenses are excluded regardless of any other cause or event that contributes concurrently or in any sequence to the damages, costs or expenses.

his exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, payment card replacement costs, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or other arising out of that which is described in paragraphs 1. through 6. above.

This exclusion applies to any liability, damages, costs or expenses either directly or indirectly because of, caused by, or arising out of any failure (including, but not limited to, failure to timely or properly act) to notify of, disclose, prepare for, respond to, protect against, remediate, mitigate or comply with any statutory, regulatory, contractual, common law or other legal obligation relating to that described in paragraphs 1. through 6. above.

This exclusion applies regardless of culpability or intent, or whether the claim alleges negligence or other wrongdoing, in whole or in part, arising out of hiring, placing, managing, supervising, employing, training or monitoring of others, or the maintenance or security of any premises.

If there is any duty or obligation to defend or pay for a defense in the policy to which this endorsement is attached, the duty or obligation will not apply to any claim, suit or proceeding that alleges or is, directly or indirectly, in whole or in part, caused by, resulting from or relating to any of the above.

This exclusion does not apply to any coverage provided under endorsement **CL IL 01 21 – Cyber Coverage Insurance**, if this is part of the policy.

B. With respect to this endorsement, the following definitions are added under **Section V – Definitions**:

1. “Computer system” means:

- a. Any computer hardware, including but not limited to:
 - (1) Computers;
 - (2) Transportable, mobile or handheld devices;
 - (3) Data storage and data processing devices;

- (4) Networking equipment and backup facilities, including cloud computing devices and facilities;
- (5) Associated input and output devices (including, but not limited to, wireless and mobile devices);
- (6) Any related peripheral components; or
- (7) Communication networks, connected to or used in connection with such computers, equipment, facilities or devices.

- b. Firmware and electronic instructions that direct the operation and function of a computer or devices connected to it, which enables the computer or devices to receive, process, store or send “electronic data”.

2. “Confidential information” means nonpublic information, confidential information, personal information or personal data, including, but not limited to:

- a. Non-public information about a person that allows such person to be uniquely and reliably identified or allows access to the person’s financial account or medical records information.
- b. Patents, trade secrets, processing methods, customer or customer-related information (including, but not limited to, customer lists); or
- c. Business plans or records, financial information, personally identifiable information, credit or payment card information (including, but not limited to, credit, debit or stored value cards), medical or health information or any type or combination of types of the foregoing.

3. “Electronic data” means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

ADVISORY NOTICE TO POLICYHOLDERS

EXCLUSION - BIOMETRIC INFORMATION

This Notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsements, which may apply to your renewal policy being issued by us.

BPSCISA 075 06 23 - Exclusion - Biometric Information

When this endorsement is attached to your policy, it generally excludes coverage for bodily injury, property damage, personal and advertising injury, damages, costs, and expenses, either directly or indirectly because of, caused by or arising out of:

- The actual or alleged collection, use, access, safeguarding, sharing, storage, retention, conversion, disclosure, sale, disposal, transmitting, distributing, or destruction of any biometric identifiers or biometric information, or failure to obtain consent for any of the foregoing; or
- A claim, investigation, demand, suit or proceeding involving an actual or alleged invasion of privacy or violation of a right to privacy and a biometric identifiers or biometric information; or
- An actual or alleged violation of any privacy law, including the Illinois Biometric Information Privacy Act (BIPA), the California Consumer Privacy Act (CCPA), the California Privacy Rights Act (CPRA), EU General Data Protection Regulation (GDPR) or any other similar law, ordinance, regulation, or statute anywhere in the world that governs or relates to the collection, use, access, safeguarding, sharing, storage, retention, conversion, disclosure, sale, disposal, transmitting, distributing, or destruction of any "biometric identifiers" or "biometric information" or obtaining consent for any of the foregoing.

The exclusions above apply regardless of any insured's culpability or intent and regardless of whether the claim, investigation, demand, suit, proceeding or allegation against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by any insured.

To the extent that current policy exclusions do not apply to liability arising out of Biometric Information, this endorsement represents a reduction of coverage.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
EXCLUSION- BIOMETRIC INFORMATION**

This endorsement modifies insurance provided under the following:

Commercial General Liability Coverage Form

- A.** The following is added to Section 1. Exclusions for Bodily Injury, Property Damage, Personal Injury and Advertising Injury.

Coverage C. Exclusions:

This insurance does not apply to:

Biometric Information

“Bodily Injury”, “Property Damage”, “Personal and Advertising Injury”, damages, costs, and expenses, either directly or indirectly because of, caused by or arising out of:

- a) The actual or alleged collection, use, access, safeguarding, sharing, storage, retention, conversion, disclosure, sale, disposal, transmitting, distributing, or destruction of any “Biometric identifiers” or “Biometric information”, or failure to obtain consent for any of the foregoing; or
- b) A claim, investigation, demand, “suit” or proceeding involving an actual or alleged invasion of privacy or violation of a right to privacy and a “Biometric identifiers” or “Biometric information”; or
- c) An actual or alleged violation of any privacy law, including the Illinois Biometric Information Privacy Act (BIPA), the California Consumer Privacy Act (CCPA), the California Privacy Rights Act (CPR), EU General Data Protection Regulation (GDPR) or any other similar law, ordinance, regulation, or statute anywhere in the world that governs or relates to the collection, use, access, safeguarding, sharing, storage, retention, conversion, disclosure, sale, disposal, transmitting, distributing, or destruction of any “Biometric identifiers” or “Biometric information” or obtaining consent for any of the foregoing.

The exclusions above apply regardless of any insured’s culpability or intent and regardless of whether the claim, investigation, demand, “suit”, proceeding or allegation against any insured alleges negligence or other wrongdoing in the supervision, hiring, employment, training, or monitoring of others by any insured.

- B.** The following definitions are added to Section V. Definitions:

“Biometric identifiers” means any physical, genetic, physiological, biological, or behavioral characteristic or attribute that allows an individual to be identified. Without limiting the foregoing, “biometric identifiers” includes but is not limited to the following: (a) retina or iris scan; (b) fingerprint; (c) voiceprint; (d) DNA; (e) finger, hand, or palm scan; (f) scan of hand or face geometry; (g) vein patterns; (h) voice recordings; (i) keystroke patterns or rhythms; (j) gait patterns or rhythms; (k) sleep, health, or exercise data that contain identifying information; or (l) any other biometric algorithm or measurement of (a) through (k) or any other physical, genetic, physiological, biological or behavioral characteristic or attribute which allows an individual to be identified.

“Biometric information” means any information, regardless of how it is captured, converted, stored, or shared, that is based on, or includes, any “biometric identifiers”.

All other terms and conditions of this policy remain unchanged.

ADVISORY NOTICE TO POLICYHOLDERS

EXCLUSION - PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES (PFAS)

This Notice does not form part of your policy. No coverage is provided by this Notice nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided. If there is any conflict between the Policy and this Notice, **THE PROVISIONS OF THE POLICY SHALL PREVAIL.**

Carefully read your policy, including the endorsements attached to your policy.

This Notice provides information concerning the following new endorsements, which may apply to your renewal policy being issued by us.

BPSCISA 076 06 23 - Exclusion - Perfluoroalkyl And Polyfluoroalkyl Substances (PFAS)

When this endorsement is attached to your policy, it generally excludes coverage for bodily injury, property damage or personal and advertising injury arising out of, in whole or in part, the actual, alleged, threatened, or suspected inhalation, ingestion, absorption, discharge, dispersal, handling, manufacture, distribution, transport, replacement, migration, seepage, sale, release or escape of, contact with, exposure to, existence of, or presence of any "PFAS", as defined.

Coverage is also excluded for any loss, cost or expense arising out of, in whole or part, any:

- Request, demand, order, or statutory or regulatory requirement that any insured or others investigate, abate, test for, monitor, clean up, remove, contain, study, remediate, dispose, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, any "PFAS"; or
- Claim, demand, or "suit" by or on behalf of a governmental authority or any other person or organization because of investigating, abating, testing for, monitoring, cleaning up, removing, containing, studying, remediating, disposing of, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, any "PFAS".

To the extent that current policy exclusions do not apply to liability arising out of PFAS, this endorsement represents a reduction of coverage.

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE FORM

A. The following exclusion is added to **the Exclusions of Section I - Bodily Injury and Property Damage:**

C. Exclusions

This insurance does not apply to:

PFAS

- a. "Bodily injury" or "property damage" arising out of, in whole or in part, the actual, alleged, threatened, or suspected inhalation, ingestion, absorption, discharge, dispersal, handling, manufacture, distribution, transport, replacement, migration, seepage, sale, release or escape of, contact with, exposure to, existence of, or presence of any "PFAS";
- b. Any loss, cost, or expense arising out of, in whole or part, any:
 - (1) Request, demand, order, or statutory or regulatory requirement that any insured or others investigate, abate, test for, monitor, clean up, remove, contain, study, remediate, dispose, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, any "PFAS"; or
 - (2) "Claim", demand, or "suit" by or on behalf of a governmental authority or any other person or organization because of investigating, abating, testing for, monitoring, cleaning up, removing, containing, studying, remediating, disposing of, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, any "PFAS".

B. The following definition is added to the **Definitions** Section:

"PFAS" means any perfluoroalkyl or polyfluoroalkyl substances, including but not limited to:

1. Any perfluoroalkyl and polyfluoroalkyl substances, perfluoroalkyl acids, perfluorooctanoic acids, perfluorooctane sulfonic acids, perfluoroalkane, perfluorononanoic acids, hexafluoropropylene oxide dimer acids, perfluorobutanesulfonic acids, perfluorohexane sulfonic acids, sulfonamides, perfluoroalkyl ether carboxylic acids, fluorotelomer substances, and perfluoroalkane sulfonamide substances; or

2. Any polymers, oligomer, monomer, nonpolymer chemicals, fluorinated polymers, fluoropolymers, side-chain fluorinated polymers, and perfluoropolyethers; including associated homologues, isomers, telomers, salts, esters, alcohols, acids, precursor chemicals and derivatives, and related degradation or by-products of any such constituent.
3. Any good or product, including containers, materials, parts, or equipment furnished in connection with such goods or products, that consists of or contains anything described in paragraphs **B.1.** or **B.2.**

All other terms and conditions of the Policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS WORKPLACE TRANSPARENCY ACT EXCLUSION

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

FIDELITY INSURANCE COVERAGE FORM
PROPERTY INSURANCE COVERAGE FORM
COMMERCIAL UMBRELLA COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM

- A.** This policy does not provide coverage for any loss, damage, cost, claim, expense, "bodily injury", "property damage", "personal injury", "advertising injury", medical expenses, or loss of "money", "securities", or "other property" arising out of, resulting from or in any way directly or indirectly related to an actual or alleged violation of Illinois Public Act 101-0221, commonly known as the "Illinois Workplace Transparency Act" or any law amendatory thereof or any regulation pertaining thereto.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ILLINOIS AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided by the Association and Community Excellence Program under the following:

**PROPERTY INSURANCE COVERAGE FORM
COMMERCIAL GENERAL LIABILITY COVERAGE FORM
FIDELITY INSURANCE COVERAGE FORM**

- A. Paragraph A. Named Insured** of the **Community Coverage Common Policy Conditions** deleted in its entirety and replaced by the following:

A. Named Insured

The "Association" in the Declarations is primarily responsible for payment of all premiums. The "Association" will act on behalf of all other insureds in giving the "Company" notice of cancellation and in receiving of any return premiums that become payable under this policy. However, any notice of cancellation or nonrenewal by the "Company" will be sent to all insureds.

- B. Paragraph B. Cancellation** of the **Community Coverage Common Policy Conditions** is deleted and replaced by the following:

B. Cancellation

1. The "Association" may cancel this policy by mailing to the "Company" advance written notice of cancellation.
2. The "Company" may cancel this policy by mailing to the "Association" written notice stating the reason for cancellation.
 - a. If the "Company" cancels for nonpayment of premium, the "Company" will mail the notice at least ten (10) days prior to the effective date of the cancellation.
 - b. If the "Company" cancels for a reason other than nonpayment of premium, the "Company" will mail the notice at least:
 - (1) thirty (30) days prior to the effective date of cancellation if the policy has been in effect for sixty (60) days or less; or
 - (2) sixty (60) days prior to the effective date of cancellation if the policy has been in effect for more than (60) days.
3. If this policy has been in effect for more than sixty (60) days, the "Company" may cancel only for one or more of the following reasons:
 - a. Nonpayment of premium;
 - b. The policy was obtained through a material misrepresentation;
 - c. Any Insured has violated any of the terms and conditions of the policy
 - d. The risk originally accepted has measurably increased;
 - e. Certification to the Director of Insurance of loss of reinsurance by the insurer that provided coverage to the "Company" for all or a substantial part of the underlying risk insured; or

f. A determination by the Director of Insurance that the continuation of the policy could place the "Company" in violation of the insurance laws of this state.

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, the "Company" will send the First Named Insured any premium refund due. If the "Company" cancels, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if the "Company" has not offered a refund.
6. Residential properties occupied by four (4) families or less;

If this policy has been in effect for one (1) year, or if this is a renewal policy, the "Company" may only cancel for one or more of the following reasons:

- a. Nonpayment of premium;
- b. The policy was obtained by misrepresentation or fraud; or
- c. Any act that measurably increases the risk originally accepted.

C. The following are added to the **Community Coverage Common Policy Conditions** and supersede any other provisions to the contrary:

1. Nonrenewal

- a. If the "Company" decides not to renew this policy, the "Company" will mail written notice stating the reason for nonrenewal no less than sixty (60) days before the expiration date of the policy to:
 - (1) The "Association"; and
 - (2) The broker, if known to the "Company", or the agent of record.
- b. Even if the "Company" does not comply with these terms, this policy will terminate:
 - (1) On the expiration date of the policy if:
 - (a) The "Association" fails to perform any of your obligations in connection with the payment of the premium for the policy, or any installment payment, whether payable directly to the "Company" or the "Company's" agents or indirectly under any premium finance plan or extension of credit.
 - (b) The "Company" has indicated the "Company's" willingness to renew this policy to the "Association" or your representative; or
 - (c) The "Association" has notified the "Company" or the "Company's" agent that the "Association" does not want to renew this policy.

2. Renewal

If the "Company" decides to renew this policy with premium increases of thirty percent (30%) or higher, or impose changes in deductibles or coverage that materially alter the policy, the "Company" will mail to the Named Insured written notice of such increase or change in deductible or coverage at least sixty (60) days prior to the renewal or anniversary date.

3. Mailing of Notices

- a. The "Company" will mail cancellation and nonrenewal notices to the "Association", and the agent or broker of record, at the last address known to the "Company". Proof of mailing will be sufficient proof of notice.
- b. Where necessary and appropriate, the Named Insured shall be interpreted as the Board of Managers, as trustee for each of the unit owners of the association, or shareholder/member of the corporation

Any rights to subrogation by the "Company", as regards the Commercial General Liability, against the Board of Managers, the unit owners' association, the Management Agent and their respective employees, agents, all persons acting as agents, the developer in his capacity as a unit owner and board member and unit owners, shall be waived.

- D. The **Legal Action Against the Company** condition within the Coverage Forms is deleted in its entirety and replaced by the following:

Legal Action Against the Company

No one may bring a legal action against the "Company":

1. Until there has been a full compliance with all terms of this policy; and
2. More than one (1) year after the insured first have knowledge of a loss. However, the "Company" will extend this one (1) year period by the number of days between the date that proof of loss is filed and the date when the claim is denied in whole or in part.

- E. The following is added to the **Community Coverage Common Policy Conditions**:

1. The term spouse, anywhere referenced within the policy, includes a person who is a party to a civil union as defined by Illinois law.

Throughout this policy, any reference to a family member, relative, or any family relationships includes the families of the parties to a civil union as defined by Illinois law.

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

NOTICE TO ILLINOIS POLICYHOLDERS

Dear Policyholders:

In compliance with Illinois Insurance Code Section 143C, this notice is to advise you of the following departments and their addresses:

Illinois Department of Insurance
320 West Washington Street
Springfield, IL 62767-001

StarNet Insurance Company

Mailing Address
P.O. Box 9190
Des Moines, Iowa 50306-9190

Condominium Association of St. James
QAP0000572-02
3/17/2024

POLICYHOLDER DISCLOSURE

NOTICE OF TERRORISM

INSURANCE COVERAGE

This acknowledges that you have chosen to decline coverage for acts of terrorism, as defined in the Terrorism Risk Insurance Act, as amended.

You should note however, if your policy provides coverage for Commercial Property and/or Commercial Inland Marine, there are state statutory exceptions covering certain fire losses as it relates to covered property located in standard fire policy states. If an "act of terrorism" certified under the Act results in fire in a standard fire policy state, we will pay for the loss or damage caused by that fire. Such coverage for fire applies only to direct loss or damage by fire to covered property and is subject to any limitations of any terrorism exclusion, or inapplicability or omission of a terrorism exclusion. This notice does not serve to create coverage for any loss which would otherwise be excluded under your policy.

As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury — in consultation with the Secretary of Homeland Security, and the Attorney General of the United States — to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Act. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

The Act contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

The portion of your premium that is attributable to coverage for direct loss or damage that is caused by an "act of terrorism" certified under the Act and where fire ensues is \$ 0, and does not include any charges for the portion of losses covered by the United States government under the Act.

Name of Insurer: StarNet Insurance Company

Policy Number: QAP0000572-02

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY

**OFFICE OF FOREIGN ASSET CONTROL (OFAC)
EXCLUSION ENDORSEMENT**

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