

EXHIBIT A

JEFF FINE
 Clerk of the Superior Court
 By Sarah Montuori, Deputy
 Date 07/28/2020 Time 13:19:49

Description	Amount
CASE# CV2020-008771	
CIVIL NEW COMPLAINT	333.00
TOTAL AMOUNT	333.00

Receipt# 27881882

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7 **IN THE SUPERIOR COURT OF THE STATE OF ARIZONA**
 8 **IN AND FOR THE COUNTY OF MARICOPA**

9 WHISKEY ROW NASHVILLE, LLC,
 10
 11 *Plaintiff,*
 12 v.
 13 MT. HAWLEY INSURANCE COMPANY,
 14
 15 *Defendants.*

Case No. CV2020-008771
COMPLAINT
 [Eligible for Commercial Court]

17 Plaintiff Whiskey Row Nashville, LLC (“Whiskey Row”) alleges the following
 18 claims for breach of contract and bad faith against Defendant Mt. Hawley Insurance
 19 Company (“Mt. Hawley”):

20 **PARTIES, JURISDICTION, AND VENUE**

21 1. Plaintiff Whiskey Row Nashville, LLC, dba Dierks Bentley’s Whiskey Row
 22 Nashville, TN, is an Arizona limited liability company with its sole member located in
 23 Scottsdale, Arizona.

24 2. Defendant Mt. Hawley Insurance Company is a corporation organized and
 25 existing in the State of Delaware, with its principal place of business in Illinois. Mt. Hawley is
 26 authorized to transact business and has transacted substantial business in Arizona, and avails
 27 itself of the laws of the State of Arizona. Accordingly, this Court has personal jurisdiction over
 28 Mt. Hawley.

1 “a Covered Cause of Loss causes damage to property other than property at the described
2 premises.” [Policy, Ex. 1 hereto at Business Income (And Extra Expense) Coverage Form, §
3 A(5)(a)].

4 14. Civil Authority coverage applies where: (1) “[a]ccess to the area immediately
5 surrounding the damaged property is prohibited by civil authority as a result of the damage,
6 and the described premises are within that area but are not more than one mile from the
7 damaged property;” and (2) “the action of civil authority is taken in response to dangerous
8 physical conditions resulting from the damage or continuation of the Covered Cause of Loss
9 that caused the damage.” [*Id.*].

10 15. Covered Cause of Loss is defined very broadly as “Risks of Direct Physical
11 Loss,” unless excluded by the Policy. [*Id.* at Causes of Loss-Special Form, § A].

12 **EXECUTIVE ORDER NO. 17 & WHISKEY ROW’S DIRECT LOSSES**

13 16. On March 22, 2020, the Governor of Tennessee signed Executive Order No. 17.
14 Attached as Exhibit 2 hereto is a true and correct copy of Executive Order No. 17.

15 17. The Governor ordered that “[r]estaurants, bars, and similar food or drink
16 establishments, including nightclubs, shall not be open to persons, except only to offer drive-
17 through, pickup, carry-out, or delivery service for food or drink.”

18 18. The Governor specifically made this order based on authority to “make orders
19 concerning entry and exit and the occupancy of premises within an emergency area.”
20 [Executive Order No. 17, Ex. 2 hereto at 2, ¶ 4].

21 19. Whiskey Row’s premises fall within the “emergency area” due to the presence
22 of SARS-CoV2 at premises near Whiskey Row, including premises within one mile of
23 Whiskey Row.

24 20. The Governor of Tennessee extended and modified Executive Order No. 17
25 through Executive Orders Nos. 21, 27, 29, and 38. Executive Orders Nos. 21, 27, 29, and 38
26 are attached hereto as Exhibits 3-6, respectively.

27 21. As a result of these Executive Orders, Whiskey Row suffered a direct physical
28 loss of, and damage to, its premises, including the ability of customers to physically enter the

1 premises, the ability to occupy and otherwise utilize the premises for services, the ability of the
2 premises to operate and function as intended, and other losses. The Executive Orders, while in
3 effect, have significantly damaged the premises and caused a loss of the premises.

4 22. As a result of this direct physical loss of, and damage to, the premises, Whiskey
5 Row has suffered significant and devastating losses to its Business Income and has incurred
6 significant extra expenses, to the extent that Whiskey Row's very existence is at risk.

7 **MT. HAWLEY'S BAD FAITH REFUSAL TO PAY**

8 23. Given the near-total loss it suffered, Whiskey Row immediately tendered its loss
9 to Mt. Hawley to recover under the security it purchased.

10 24. Despite the Policy provisions providing for coverage, Mt. Hawley denied
11 coverage on May 15, 2020, without even conducting a thorough investigation. A true and
12 correct copy of Mt. Hawley's May 15, 2020 letter denying coverage is attached hereto as
13 Exhibit 7.

14 25. In its May 15, 2020 letter, Mt. Hawley asserted that Whiskey Row did not
15 experience a direct physical loss of or damage to property on that sole ground that Whiskey
16 Row "closed your business solely based upon the guidelines put in place by the Governor of
17 Tennessee." [May 15, 2020 Letter, Ex. 7 hereto at 6, ¶ 1].

18 26. Mt. Hawley misrepresented the nature of Executive "Order" No. 17 as mere
19 "guidelines" in order to improperly deny coverage to Whiskey Row.

20 27. Mt. Hawley also failed to acknowledge caselaw making clear that the type of
21 loss experienced by Whiskey Row is a physical loss of or damage to property, as covered by
22 the Policy. *See, e.g., Am. Guar. & Liab. Ins. Co. v. Ingram Micro, Inc.*, 2000 WL 726789, *2
23 (D. Ariz. Apr. 18, 2000) ("'[P]hysical damage' is not restricted to the physical destruction or
24 harm[,] but includes loss of access, loss of use, and loss of functionality").

25 28. With respect to Civil Authority coverage, Mt. Hawley glibly stated that "the
26 order was implemented as a preventative measure in an attempt to minimize the spread of
27 COVID-19, and not in response to a Covered Cause of Loss causing damage to property other
28 than at your premises." [May 15, 2020 Letter, Ex. 7 hereto at 6, ¶ 2].

1 29. Mt. Hawley took this cursory position without investigating the presence of
2 SARS-CoV2 at premises within one mile of Whiskey Row’s premises. *See, e.g., Port Auth. Of*
3 *New York & New Jersey v. Affiliated FM Ins. Co.*, 311 F.3d 226, 236 (3d Cir. 2002) (“When
4 the presence of large quantities of asbestos in the air of a building is such as to make the
5 structure uninhabitable and unusable, then there has been a distinct [physical] loss to its
6 owner”); *Ingram Micro, Inc.*, 2000 WL 726789 at *2 (“‘physical damage’ is not restricted to
7 the physical destruction or harm[,] but includes loss of access, loss of use, and loss of
8 functionality”).

9 30. Public and easily-accessible information made clear that the Executive Orders
10 were issued in part due to the presence of SARS-CoV2 at premises. The CDC recognizes that
11 “the virus may spread to hands from a contaminated surface and then to the nose or mouth,
12 causing infection,” and thus that facilities should “[c]lean and disinfect frequently touched
13 surfaces.”

14 31. Mt. Hawley additionally cited to four policy exclusions as potentially applicable
15 here. The terms of those exclusions, however, makes clear that they do not apply to Whiskey
16 Row’s losses.

17 32. For example, Mt. Hawley asserted that “your policy specifically excludes
18 coverage for loss, damage, cost, or expense caused directly or indirectly by the actual, alleged
19 or threatened discharge, dispersal, release or escape of ‘pollutants,’ including virus, and such
20 loss or damage is excluded.”

21 33. In making this assertion, Mt. Hawley intentionally failed to mention the actual
22 exclusionary language that such discharge, dispersal, release or escape must be from Whiskey
23 Row’s premises, a site used for handling waste, or a site where Whiskey Row is performing
24 operations. [See Policy, Ex. 1 hereto at Pollution Exclusion]. Nowhere in the Executive Orders
25 do they make any reference to, or rely upon, any alleged or actual discharge of pollutants from
26 Whiskey Row’s premises.

27 34. The other references to exclusions similarly lack a valid basis and were simply
28 asserted in a cursory manner in order to deprive Whiskey Row of the benefits it purchased

1 under the Policy.

2 35. Mt. Hawley's refusal to honor its coverage obligations have caused Whiskey
3 Row significant and debilitating damages, threatening its very ability to remain in business.

4 36. This matter is eligible for commercial court pursuant to Ariz. R. Civ. P.
5 8.1(b)(13) because it arises under a commercial insurance policy.

6 **COUNT I**
7 **(Breach of Contract)**

8 37. Whiskey Row incorporates by reference each and every allegation contained in
9 paragraphs 1 through 36 of this Complaint.

10 38. The Policy is a valid contract between Whiskey Row and Mt. Hawley.

11 39. The Policy requires Mt. Hawley to pay Whiskey Row for its losses caused by
12 the Executive Orders issued in Tennessee.

13 40. Mt. Hawley has breached the contract by refusing to pay Whiskey Row the
14 amounts owing under the Policy.

15 41. Whiskey Row has been damaged by Mt. Hawley's breach in an amount to be
16 determined at trial.

17 **COUNT II**
18 **(Breach of the Duty of Good Faith and Fair Dealing)**

19 42. Whiskey Row incorporates by reference each and every allegation contained in
20 paragraphs 1 through 41 of this Complaint.

21 43. Mt. Hawley has a duty of good faith and fair dealing under the Policy.

22 44. Mt. Hawley has breached its duty of good faith and fair dealing, including as set
23 forth in paragraphs 23-36 above.

24 45. Mt. Hawley's coverage position lacked a reasonable basis.

25 46. Mt. Hawley failed to conduct a complete investigation prior to denying
26 coverage.

27 47. Mt. Hawley's conduct compelled Whiskey Row to file this lawsuit to recover
28 the benefits to which it is entitled under the Policy.

1 48. Mt. Hawley's conduct has caused Whiskey Row damages in an amount to be
2 determined at trial.

3 **PUNITIVE DAMAGES**

4 49. Whiskey Row incorporates by reference each and every allegation contained in
5 paragraphs 1 through 48 of this Complaint.

6 50. Mt. Hawley intended to injure its policyholder and/or consciously pursued a
7 course of conduct knowing that it created a substantial risk of significant harm to Whiskey
8 Row, as set forth above.

9 51. Mt. Hawley's conduct was oppressive, outrageous, and/or intolerable.

10 52. Mt. Hawley acted intentionally and with the express purpose of harming
11 Whiskey Row's interests.

12 **PRAYER FOR RELIEF**

13 WHEREFORE, Whiskey Row respectfully requests judgment as follows:

14 A. An award against Mt. Hawley of actual and compensatory damages, in the
15 amount established by the evidence;

16 B. An award against Mt. Hawley for damages caused by its bad faith breach of
17 contract;

18 C. An award against Mt. Hawley of reasonable attorneys' fees, costs and
19 disbursements for this action, as provided under A.R.S. § 12-341.01, A.R.S. § 12-341,
20 common law, and other applicable law;

21 D. An award against Mt. Hawley of punitive damages in the amount established by
22 the evidence, and as warranted by the egregious nature of Mt. Hawley's conduct;

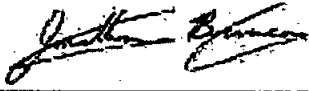
23 E. An award for any and all pre-judgment and post-judgment interest at the rate
24 applicable under the law; and

25 F. Such other and further relief as this Court deems just or proper.
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DATED this 28th day of July, 2019.

POLSINELLI PC

By: 

Jonathan G. Brinson
One East Washington Street, Suite 1200
Phoenix, Arizona 85004
Attorneys for Whiskey Row Nashville, LLC

Exhibit 1

Policy Number: MCP0168865



NOTICE TO OUR BROKERS AND AGENTS OF OUR CLAIM NOTIFICATION PROCEDURE

As part of our continuing effort to provide you with the best service available, ALL CLAIMS, OCCURRENCES, INCIDENTS and LAWSUITS under this policy are to be reported immediately to:

Mt. Hawley Insurance Company

Email (preferred): New.Claim@rlicorp.com

Fax: (866) 692-6796

Phone: (800) 444-0406

Street Address: 9025 N. Lindbergh Drive, Peoria, IL 61615

Mailing Address: P.O. Box 3961, Peoria, IL 61612-3961

When reporting the incident, be prepared to supply a report of claim or the following information:

1. Policy Number
2. Contact Person information (name, address, phone, etc.)
3. Nature of incident
4. Date of incident

When reporting multiple incidents, please send each loss notice separately.



IMPORTANT NOTICE TO POLICYHOLDERS

TERRORISM RISK INSURANCE ACT, AS AMENDED

Under the Terrorism Risk Insurance Act, as amended (the "Act"), we must make coverage for "**certified acts of terrorism**" available in the policies we offer. We notified you at the time of offer and purchase of the policy to which this Notice is attached that this coverage was available and we gave you the right to reject our offer of such terrorism coverage. If you elected to purchase the coverage, the premium charged for such coverage is shown on the Declarations page of the policy. If you elected to reject the coverage we have not charged your policy for terrorism coverage and have attached a terrorism exclusion to your policy.

PLEASE NOTE: IF YOU REJECTED THE OFFER OF FEDERAL TERRORISM INSURANCE COVERAGE, THAT REJECTION DOES NOT APPLY TO THE LIMITED EXTENT THAT RELEVANT STATE LAW REQUIRES COVERAGE FOR FIRE LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM UNDER THE ACT.

You should know that where coverage is provided by this policy for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States government under a formula established by federal law. Under this formula, the United States government generally reimburses 85% through 2015; 84% beginning on January 1, 2016; 83% beginning on January 1, 2017; 82% beginning January 1, 2018; 81% beginning January 1, 2019 and 80% beginning January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage.

You should also know that 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 in any one calendar year exceeds \$100 billion. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Specific coverage terms for terrorism, including limitations and exclusions, are more fully described in endorsements attached to the policy. Your policy may contain an exclusion for losses that are not eligible for federal reinsurance under the Act.

Definitions:

"Certified act of terrorism," as defined in Section 102(1) of the Act, means an 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.

Policy Number: MCP0168865



Mt. Hawley Insurance Company
Peoria, Illinois 61615

NOTICE TO POLICYHOLDERS

REGARDING THE UNITED STATES TREASURY DEPARTMENT – OFFICE OF FOREIGN ASSETS CONTROL (OFAC)

This Policyholder Notice does not provide coverage nor can it be construed to replace any provisions of your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered by your policy. This Notice should only be used to provide information concerning the possible impact of your insurance coverage as it relates to directives issued by OFAC.

PLEASE READ THIS NOTICE CAREFULLY.

OFAC administers and enforces economic and trade sanctions and places restrictions on certain transactions. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation. OFAC has identified and named numerous foreign agents, front organizations, terrorists, terrorist organizations, and narcotics traffickers, among others, as “Specially Designated Nationals and Blocked Persons.” The complete list can be found on the United States Treasury website – <http://www.treas.gov/ofac>.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance contract is considered a blocked or frozen contract and will be considered null and void. When an insurance policy is considered to be a blocked or frozen contract, all provisions of this insurance will be immediately subject to OFAC, and neither payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments may also apply.

Policy Number: MCP0168865

Mt. Hawley Insurance Company

9025 N. Lindbergh Drive

Peoria, Illinois 61615

ATTENTION POLICYHOLDER

KEEP THIS NOTICE WITH YOUR INSURANCE PAPERS

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false, incomplete, or misleading information, or conceals information concerning any material fact thereto, commits a fraudulent insurance act, which is a crime punishable by incarceration, and shall also be subject to civil penalties.



Mt. Hawley Insurance Company

9025 N. Lindbergh Drive
Peoria, Illinois 61615
309-692-1000

Commercial Property Policy Declarations Page

Policy No. MCP0168865

Named Insured and Mailing Address:

Whiskey Row Nashville, LLC
DBA: Dierks Bentley's Whiskey Row Nashville
7525 East Camelback Road, Suite 100
Scottsdale, AZ 85251

Agent/Broker and Mailing Address:

R-T Specialty of CA, Ins. LLC
7979 Ivanhoe Ave, Suite 325
La Jolla, CA 92037

Policy Period: From 12/14/2019 to 12/14/2020 at 12:01 A.M. Standard Time at your mailing address shown above.

DESCRIPTION OF PREMISES

Covered Locations Listed Below :

400 Broadway, Nashville, TN 37203

CAUSES OF LOSS: Special including Equipment Breakdown excluding Earthquake and Flood

LIMITS OF INSURANCE

Total coverage (limit) applicable Limit \$13,000,000

Refer to CPR 2162, Specified Limits Endorsement

Per Occurrence Loss Limit

At no time will we pay more than \$13,000,000 for a loss due to a single occurrence or event.

DEDUCTIBLE(S): Refer to CPR 2218, Declarations - Deductible Addendum

FORMS MADE A PART OF THIS POLICY AT TIME OF ISSUE: See CPR 2150, Applicable Forms & Endorsements

Total Premium \$ 31,920

Amount Payable At Inception \$ 31,920

This insurance contract is with an insurer not licensed to transact insurance in this state and is issued and delivered as a surplus lines coverage pursuant to the Tennessee insurance statutes

**R-T Specialty, LLC
180 N. Stetson Avenue, Suite 4600
Chicago, IL 60601
Timothy Turner**

PREMIUM:	\$31,920.00
BROKERAGE FEE:	\$ 1,600.00
.175% TN CLEARINGHOUSE FEE:	\$ 58.66
5% TN SL TAX:	\$ 1,676.00
TOTAL:	\$35,254.66

Authorized Signature

DECLARATIONS - SUB-LIMIT ADDENDUM

The total Limit of Liability as shown in the Declarations is subject to the following sub-limit(s). The sub-limit(s) shown is a limit or amount per occurrence, except for Earthquake and Flood where an annual aggregate applies. The sub-limit(s) shown are included in and do not increase the Limit of Liability shown in the Declarations. We will not, in any case, exceed this sub-limit(s) in one disaster, casualty or event, no matter how many locations are involved.

Coverage Part or Item:	Sub-Limit
Debris Removal	\$25,000
Fire Department Service Charges	\$10,000
Fire Protection Equipment Recharge	\$5,000
Outdoor Trees, Shrubs and Plants	\$10,000
Outside Signs	\$10,000
Property in Transit	\$25,000
Spoilage	\$25,000
Unnamed Locations	\$25,000
Utility Services - Direct Damage	\$50,000
Utility Services - Time Element	\$50,000

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DECLARATIONS - DEDUCTIBLE ADDENDUM

The following deductible wording is in addition to all other deductible wording found elsewhere in this policy. All other deductible wording found in and made a part of this policy also applies. Each claim for loss or damage will be adjusted separately.

PERIL DEDUCTIBLE(S)

\$5,000 Per Occurrence for All Covered Perils

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPECIFIED LIMITS ENDORSEMENT

Prem./Loc. No.	Bldg. No.	Limit of Insurance	Type of Coverage	Coins. Percent	Val.*	Description & Location of Property Covered
00001	001	\$8,000,000	Business Income (and Extra Expense)	N/A	ALS	Built: 1910, Masonry - Joisted 400 Broadway Nashville, TN 37203 Restaurant/Bar
00001	001	\$1,000,000	Business Personal Property	N/A	RCV	Built: 1910, Masonry - Joisted 400 Broadway Nashville, TN 37203 Restaurant/Bar
00001	001	\$4,000,000	Tenants Improvements and Betterments	N/A	RCV	Built: 1910, Masonry - Joisted 400 Broadway Nashville, TN 37203 Restaurant/Bar

* Valuation. Indicate: ACV (Actual Cash Value), ALS (Actual Loss Sustained), RCV (Replacement Cost Value), SP (Selling Price) or SV (Stated Value).

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

APPLICABLE FORMS & ENDORSEMENTS

FORMS AND ENDORSEMENTS LISTED BELOW APPLY TO AND ARE MADE PART OF THIS POLICY AT TIME OF ISSUE.

CPR-2147(02/04)	Declarations - SubLimit Addendum
CPR-2218(11/04)	Declarations - Deductible Addendum
CPR-2162(01/02)	Specified Limits Endorsement
CP-0010(06/07)	Building and Personal Property Coverage Form
CP-0030(06/07)	Business Income (and Extra Expense) Coverage Form
CP-1030(06/07)	Causes Of Loss - Special Form
CP-0090(07/88)	Commercial Property Conditions
CPR-2270(05/10)	Equipment Breakdown Coverage Endorsement
IL-0017(11/98)	Common Policy Conditions
CP-0415(10/00)	Debris Removal Additional Insurance
CP-0417(06/07)	Utility Services - Direct Damage
CP-0440(06/07)	Spoilage Coverage
CP-1218(06/95)	Loss Payable Provisions
CP-1430(10/00)	Outdoor Trees, Shrubs and Plants
CP-1440(06/07)	Outdoor Signs
CP-1545(06/07)	Utility Services - Time Element
CPR-2106(11/07)	Automatic Acquisition Endorsement
CPR-2170(03/02)	Valuable Papers and Records
CPR-2177(03/02)	Accounts Receivable
CPR-2212(03/02)	Additional Named Insureds
CPR-2216(09/02)	Fine Arts Endorsement
CPR-2217(10/07)	Cancellation Endorsement-Increased Period
CPR-2224(03/03)	Sewer Back Up Endorsement
CPR-2254(07/04)	Extended Period of Indemnity Endorsement
CPR-2268(02/07)	Protective Safeguard Endorsement
CPR-2273(04/12)	Minimum Earned Premium Endorsement
CPR-2276(04/12)	Non-Payment Of Premium
CPR-2281(12/14)	Nuclear, Biological, Chemical, or Radioactive Exclusion
CPR-2284(04/15)	Fire Protection Equipment Recharge Endorsement
CPR-2285(04/15)	Increased Perimeter Of Coverage Endorsement
CP-1032(08/08)	Water Exclusion Endorsement
CPR-2117(08/15)	Definition of Occurrence

APPLICABLE FORMS & ENDORSEMENTS

(cont'd)

CPR-2126(10/01)	Limitation of Liability Endorsement
CPR-2133(10/01)	Absolute Pollution Exclusion Endorsement
CPR-2188(12/10)	Exclusion of Certain Computer Related Losses
CPR-2230(03/08)	Terrorism Exclusion
CPR-2261(09/04)	Fire Department Service Charge Endorsement
CPR-2263(11/04)	Unnamed Locations Extension
CPR-2269(06/09)	Asbestos Exclusion
CPR-2286(05/15)	Property In Transit Additional Coverage
RIL-099(07/16)	Service of Suit Endorsement
ILF-0001C(04/16)	Signature Page

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

BUILDING AND PERSONAL PROPERTY COVERAGE FORM

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

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

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

A. Coverage

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

1. Covered Property

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A. 1.**, and limited in **A. 2. Property Not Covered**, if a Limit of Insurance is shown in the Declarations for that type of property.

a. Building, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
 - (a) Machinery and
 - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire-extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings; and
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;

(5) If not covered by other insurance:

(a) Additions under construction, alterations and repairs to the building or structure;

(b) Materials, equipment, supplies and temporary structures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

b. Your Business Personal Property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property – Separation Of Coverage form:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and
 - (b) You acquired or made at your expense but cannot legally remove;

(7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

c. Personal Property Of Others that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
 - (1) The lowest basement floor; or
 - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;

k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;

l. Retaining walls that are not part of a building;

m. Underground pipes, flues or drains;

n. Electronic data, except as provided under the Additional Coverage, Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;

p. Vehicles or self-propelled machines (including aircraft or watercraft) that:

(1) Are licensed for use on public roads; or

(2) Are operated principally away from the described premises.

This paragraph does not apply to:

(a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;

(b) Vehicles or self-propelled machines, other than autos, you hold for sale;

- (c) Rowboats or canoes out of water at the described premises; or
 - (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers;
- q. The following property while outside of buildings:
- (1) Grain, hay, straw or other crops;
 - (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

3. Covered Causes Of Loss

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Coverages

a. Debris Removal

- (1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
 - (a) Extract "pollutants" from land or water; or
 - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
 - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
 - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the

deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

- (4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:
 - (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
 - (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4) (a) and/or (4) (b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

(5) Examples

The following examples assume that there is no Coinsurance penalty.

EXAMPLE #1

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 50,000
Amount of Loss Payable:	\$ 49,500
	(\$50,000 – \$500)
Debris Removal Expense:	\$ 10,000
Debris Removal Expense Payable:	\$ 10,000
(\$10,000 is 20% of \$50,000.)	

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the

loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

EXAMPLE #2

Limit of Insurance:	\$ 90,000
Amount of Deductible:	\$ 500
Amount of Loss:	\$ 80,000
Amount of Loss Payable:	\$ 79,500
	(\$80,000 – \$500)

Debris Removal Expense:	\$ 30,000
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Debris Removal Expense Payable

Basic Amount:	\$ 10,500
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Additional Amount:	\$ 10,000
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The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows: \$80,000 (\$79,500 + \$500) x .25 = \$20,000; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$30,000 = \$109,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

b. Preservation Of Property

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Required by local ordinance. No Deductible applies to this Additional Coverage.

c. Fire Department Service Charge

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000, unless a higher limit is shown in the Declarations, for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

d. Pollutant Clean-up And Removal

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

e. Increased Cost Of Construction

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e. (3) through e. (9) of this Additional Coverage.

- (3)** The ordinance or law referred to in e. **(2)** of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
- (4)** Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:

 - (a)** You were required to comply with before the loss, even when the building was undamaged; and
 - (b)** You failed to comply with.
- (5)** Under this Additional Coverage, we will not pay for:

 - (a)** The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
 - (b)** Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6)** The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of: \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

- (7)** With respect to this Additional Coverage:

 - (a)** We will not pay for the Increased Cost of Construction:

 - (i)** Until the property is actually repaired or replaced, at the same or another premises; and
 - (ii)** Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - (b)** If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e. **(6)** of this Additional Coverage, is the increased cost of construction at the same premises.
 - (c)** If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e. **(6)** of this Additional Coverage, is the increased cost of construction at the new premises.
- (8)** This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
- (9)** The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in e. **(6)** of this Additional Coverage, is not subject to such limitation.

f. Electronic Data

- (1)** Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, Electronic Data.

- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent that electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, Electronic Data, subject to the following:
- (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage, Electronic Data, is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
- (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage, Electronic Data, includes Collapse as set forth in that form.
- (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, Electronic Data.
- (d) The Covered Causes of Loss include a 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. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.
- (4) The most we will pay under this Additional Coverage, Electronic Data, is \$2,500 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of premises, locations or

computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

5. Coverage Extensions

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more, or a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

a. Newly Acquired Or Constructed Property

(1) Buildings

If this policy covers Building, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
- (i) Similar use as the building described in the Declarations; or
- (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

(2) Your Business Personal Property

- (a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:
- (i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

(3) Period Of Coverage

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days expire after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Personal Effects And Property Of Others

You may extend the insurance that applies to Your Business Personal Property to apply to:

(1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

(2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

c. Valuable Papers And Records (Other Than Electronic Data)

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, Electronic Data.

(2) If the Causes Of Loss – Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.

(3) If the Causes Of Loss – Broad Form applies, coverage under this Extension includes Collapse as set forth in that form.

(4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

d. Property Off-premises

(1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:

- (a) Temporarily at a location you do not own, lease or operate;
- (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
- (c) At any fair, trade show or exhibition.

(2) This Extension does not apply to property:

- (a) In or on a vehicle; or
- (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.

(3) The most we will pay for loss or damage under this Extension is \$10,000.

e. Outdoor Property

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

f. Non-owned Detached Trailers

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:

- (a) The trailer is used in your business;
- (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
- (c) You have a contractual responsibility to pay for loss or damage to the trailer.

(2) We will not pay for any loss or damage that occurs:

- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
- (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized conveyance.

(3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.

(4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

B. Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

C. Limits Of Insurance

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

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

- 1. Fire Department Service Charge;

2. Pollutant Clean-up And Removal;
3. Increased Cost Of Construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

D. Deductible

In any one occurrence of loss or damage (hereinafter referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

EXAMPLE #1

(This example assumes there is no Coinsurance penalty.)

Deductible:	\$ 250
Limit of Insurance – Building #1:	\$ 60,000
Limit of Insurance – Building #2:	\$ 80,000
Loss to Building #1:	\$ 60,100
Loss to Building #2:	\$ 90,000

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

\$60,100	
- 250	
<u>\$59,850</u>	Loss Payable – Building #1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

Total amount of loss payable:

$$\$59,850 + \$80,000 = \$139,850$$

EXAMPLE #2

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example #1.

Loss to Building #1:	\$ 70,000
(Exceeds Limit of Insurance plus Deductible)	
Loss to Building #2:	\$ 90,000
(Exceeds Limit of Insurance plus Deductible)	
Loss Payable – Building #1:	\$ 60,000
(Limit of Insurance)	
Loss Payable – Building #2:	\$ 80,000
(Limit of Insurance)	
Total amount of loss payable:	\$140,000

E. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
- (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

- (8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

4. Loss Payment

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

- (1) Pay the value of lost or damaged property;
- (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
- (3) Take all or any part of the property at an agreed or appraised value; or
- (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

6. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1) (a) and (1) (b) below:
 - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building

means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:
 - (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
 - (ii) Used by the building owner to conduct customary operations.

(2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

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

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) Water damage;
 - (e) Theft; or
 - (f) Attempted theft.

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

7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

a. At actual cash value as of the time of loss or damage, except as provided in b., c., d. and e. below.

b. If the Limit of Insurance for Building satisfies the Additional Condition, Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
- (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
- (3) Outdoor equipment or furniture.

c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.

d. Glass at the cost of replacement with safety-glazing material if required by law.

e. Tenants' Improvements and Betterments at:

(1) Actual cash value of the lost or damaged property if you make repairs promptly.

(2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:

(a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and

(b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

(3) Nothing if others pay for repairs or replacement.

F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

EXAMPLE #1 (UNDERINSURANCE)

When:	The value of the property is:	\$250,000
	The Coinsurance percentage for it is:	80%
	The Limit of Insurance for it is:	\$100,000
	The Deductible is:	\$ 250
	The amount of loss is:	\$ 40,000
Step (1):	\$250,000 x 80% = \$200,000 (the minimum amount of insurance to meet your Coinsurance requirements)	
Step (2):	\$100,000 ÷ \$200,000 = .50	

- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason.
- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

G. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Agreed Value

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
 - (1) On or after the effective date of this Optional Coverage; and

- (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

2. Inflation Guard

- a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
 - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
 - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

EXAMPLE

If: The applicable Limit of Insurance is: \$100,000
 The annual percentage increase is: 8%
 The number of days since the beginning of the policy year (or last policy change) is: 146
 The amount of increase is:
 $\$100,000 \times .08 \times 146 \div 365 =$ \$ 3,200

3. Replacement Cost

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition of this Coverage Form.
- b. This Optional Coverage does not apply to:
 - (1) Personal property of others;
 - (2) Contents of a residence;
 - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or

- (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
 - (1) Until the lost or damaged property is actually repaired or replaced; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
- (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
 - (1) The Limit of Insurance applicable to the lost or damaged property;
 - (2) The cost to replace the lost or damaged property with other property:
 - (a) Of comparable material and quality; and
 - (b) Used for the same purpose; or

- (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.
- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the lesser of the replacement cost of the property or the applicable Limit of Insurance.

H. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM

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

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

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

A. Coverage

1. Business Income

Business Income means the:

- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred; and
- b. Continuing normal operating expenses incurred, including payroll.

For manufacturing risks, Net Income includes the net sales value of production.

Coverage is provided as described and limited below for one or more of the following options for which a Limit of Insurance is shown in the Declarations:

- (1) Business Income Including "Rental Value".
- (2) Business Income Other Than "Rental Value".
- (3) "Rental Value".

If option (1) above is selected, the term Business Income will include "Rental Value". If option (3) above is selected, the term Business Income will mean "Rental Value" only.

If Limits of Insurance are shown under more than one of the above options, the provisions of this Coverage Part apply separately to each.

We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and

for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- (a) The portion of the building which you rent, lease or occupy; and
- (b) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

We will pay Extra Expense (other than the expense to repair or replace property) to:

- (1) Avoid or minimize the "suspension" of business and to continue operations at the described premises or at replacement

premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.

- (2) Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent it reduces the amount of loss that otherwise would have been payable under this Coverage Form.

3. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

4. Additional Limitation – Interruption Of Computer Operations

- a. Coverage for Business Income does not apply when a "suspension" of "operations" is caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage – Interruption Of Computer Operations.
- b. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage – Interruption Of Computer Operations.
- c. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

5. Additional Coverages

a. Civil Authority

In this Additional Coverage – Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
- (2) When your Civil Authority Coverage for Business Income ends;

whichever is later.

b. Alterations And New Buildings

We will pay for the actual loss of Business Income you sustain and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:

- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
 - (a) Used in the construction, alterations or additions; or
 - (b) Incidental to the occupancy of new buildings.

If such direct physical loss or damage delays the start of "operations", the "period of restoration" for Business Income Coverage will begin on the date "operations" would have begun if the direct physical loss or damage had not occurred.

c. Extended Business Income

(1) Business Income Other Than "Rental Value"

If the necessary "suspension" of your "operations" produces a Business Income loss payable under this policy, we will pay for the actual loss of Business Income you incur during the period that:

- (a) Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed; and
- (b) Ends on the earlier of:
 - (i) The date you could restore your "operations", with reasonable speed, to the level which would generate the business income amount that would have existed if no direct physical loss or damage had occurred; or

- (ii) 30 consecutive days after the date determined in (1)(a) above.

However, Extended Business Income does not apply to loss of Business Income incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of Business Income must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

(2) "Rental Value"

If the necessary "suspension" of your "operations" produces a "Rental Value" loss payable under this policy, we will pay for the actual loss of "Rental Value" you incur during the period that:

- (a) Begins on the date property is actually repaired, rebuilt or replaced and tenantability is restored; and
- (b) Ends on the earlier of:
 - (i) The date you could restore tenant occupancy, with reasonable speed, to the level which would generate the "Rental Value" that would have existed if no direct physical loss or damage had occurred; or

- (ii) 30 consecutive days after the date determined in (2)(a) above.

However, Extended Business Income does not apply to loss of "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

Loss of "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.

d. Interruption Of Computer Operations

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Limitation – Interruption Of Computer Operations.
- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Business Income and Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.
- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:
 - (a) If the Causes Of Loss – Special Form applies, coverage under this Additional Coverage – Interruption Of Computer Operations is limited to the "specified causes of loss" as defined in that form, and Collapse as set forth in that form.
 - (b) If the Causes Of Loss – Broad Form applies, coverage under this Additional Coverage – Interruption Of Computer Operations includes Collapse as set forth in that form.
 - (c) If the Causes Of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage – Interruption Of Computer Operations.
 - (d) The Covered Causes of Loss include a 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. But there is no coverage for an interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage – Interruption of Computer Operations is \$2,500 for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.
- (5) This Additional Coverage – Interruption in Computer Operations does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

6. Coverage Extension

If a Coinsurance percentage of 50% or more is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

NEWLY ACQUIRED LOCATIONS

- a. You may extend your Business Income and Extra Expense Coverages to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay under this Extension, for the sum of Business Income loss and Extra Expense incurred, is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
 - (1) This policy expires;
 - (2) 30 days expire after you acquire or begin to construct the property; or
 - (3) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property.

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

B. Limits Of Insurance

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

Payments under the following coverages will not increase the applicable Limit of Insurance:

1. Alterations And New Buildings;
2. Civil Authority;
3. Extra Expense; or
4. Extended Business Income.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage.

C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

1. Appraisal

If we and you disagree on the amount of Net Income and operating expense or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser.

The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of Net Income and operating expense or amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

2. Duties In The Event Of Loss

a. You must see that the following are done in the event of loss:

- (1) Notify the police if a law may have been broken.
- (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
- (3) As soon as possible, give us a description of how, when, and where the direct physical loss or damage occurred.
- (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
- (5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

- (6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (7) Cooperate with us in the investigation or settlement of the claim.
- (8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

- (b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

3. Loss Determination

- a. The amount of Business Income loss will be determined based on:

- (1) The Net Income of the business before the direct physical loss or damage occurred;
- (2) The likely Net Income of the business if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;

- (3) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and

- (4) Other relevant sources of information, including:

- (a) Your financial records and accounting procedures;
- (b) Bills, invoices and other vouchers; and
- (c) Deeds, liens or contracts.

- b. The amount of Extra Expense will be determined based on:

- (1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

- (a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

- (2) Necessary expenses that reduce the Business Income loss that otherwise would have been incurred.

c. Resumption Of Operations

We will reduce the amount of your:

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

- (2) Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

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

4. Loss Payment

We will pay for covered loss within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We have reached agreement with you on the amount of loss; or
- b. An appraisal award has been made.

D. Additional Condition

COINSURANCE

If a Coinsurance percentage is shown in the Declarations, the following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

We will not pay the full amount of any Business Income loss if the Limit of Insurance for Business Income is less than:

1. The Coinsurance percentage shown for Business Income in the Declarations; times
2. The sum of:
 - a. The Net Income (Net Profit or Loss before income taxes), and
 - b. Operating expenses, including payroll expenses,

that would have been earned or incurred (had no loss occurred) by your "operations" at the described premises for the 12 months following the inception, or last previous anniversary date, of this policy (whichever is later).

Instead, we will determine the most we will pay using the following steps:

- Step (1): Multiply the Net Income and operating expense for the 12 months following the inception, or last previous anniversary date, of this policy by the Coinsurance percentage;
- Step (2): Divide the Limit of Insurance for the described premises by the figure determined in Step (1); and
- Step (3): Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

In determining operating expenses for the purpose of applying the Coinsurance condition, the following expenses, if applicable, shall be deducted from the total of all operating expenses:

- (1) Prepaid freight – outgoing;
- (2) Returns and allowances;
- (3) Discounts;
- (4) Bad debts;
- (5) Collection expenses;
- (6) Cost of raw stock and factory supplies consumed (including transportation charges);

- (7) Cost of merchandise sold (including transportation charges);
- (8) Cost of other supplies consumed (including transportation charges);
- (9) Cost of services purchased from outsiders (not employees) to resell, that do not continue under contract;
- (10) Power, heat and refrigeration expenses that do not continue under contract (if Form CP 15 11 is attached);
- (11) All ordinary payroll expenses or the amount of payroll expense excluded (if Form CP 15 10 is attached); and
- (12) Special deductions for mining properties (royalties unless specifically included in coverage; actual depletion commonly known as unit or cost depletion – not percentage depletion; welfare and retirement fund charges based on tonnage; hired trucks).

EXAMPLE #1 (UNDERINSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$400,000

The Coinsurance percentage is: 50%

The Limit of Insurance is: \$150,000

The amount of loss is: \$ 80,000

Step (1): $\$400,000 \times 50\% = \$200,000$
(the minimum amount of insurance to meet your Coinsurance requirements)

Step (2): $\$150,000 \div \$200,000 = .75$

Step (3): $\$80,000 \times .75 = \$60,000$

We will pay no more than \$60,000. The remaining \$20,000 is not covered.

EXAMPLE #2 (ADEQUATE INSURANCE)

When: The Net Income and operating expenses for the 12 months following the inception, or last previous anniversary date, of this policy at the described premises would have been: \$400,000

The Coinsurance percentage is: 50%

The Limit of Insurance is: \$200,000

The amount of loss is: \$ 80,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ($\$400,000 \times 50\%$). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$80,000 (amount of loss).

This condition does not apply to Extra Expense Coverage.

E. Optional Coverages

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

1. Maximum Period Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for the total of Business Income loss and Extra Expense is the lesser of:
 - (1) The amount of loss sustained and expenses incurred during the 120 days immediately following the beginning of the "period of restoration"; or
 - (2) The Limit of Insurance shown in the Declarations.

2. Monthly Limit Of Indemnity

- a. The Additional Condition, Coinsurance, does not apply to this Coverage Form at the described premises to which this Optional Coverage applies.
- b. The most we will pay for loss of Business Income in each period of 30 consecutive days after the beginning of the "period of restoration" is:
 - (1) The Limit of Insurance, multiplied by
 - (2) The fraction shown in the Declarations for this Optional Coverage.

EXAMPLE

When: The Limit of Insurance is: \$120,000

The fraction shown in the Declarations for this Optional Coverage is: $\frac{1}{4}$

The most we will pay for loss in each period of 30 consecutive days is: \$ 30,000
($\$120,000 \times \frac{1}{4} = \$30,000$)

If, in this example, the actual amount of loss is:

Days 1–30:	\$ 40,000
Days 31–60:	\$ 20,000
Days 61–90:	<u>\$ 30,000</u>
	\$ 90,000

We will pay:	
Days 1–30:	\$ 30,000
Days 31–60:	\$ 20,000
Days 61–90:	<u>\$ 30,000</u>
	\$ 80,000

The remaining \$10,000 is not covered.

3. Business Income Agreed Value

- a. To activate this Optional Coverage:
 - (1) A Business Income Report/Work Sheet must be submitted to us and must show financial data for your "operations":
 - (a) During the 12 months prior to the date of the Work Sheet; and
 - (b) Estimated for the 12 months immediately following the inception of this Optional Coverage.
 - (2) The Declarations must indicate that the Business Income Agreed Value Optional Coverage applies, and an Agreed Value must be shown in the Declarations. The Agreed Value should be at least equal to:
 - (a) The Coinsurance percentage shown in the Declarations; multiplied by
 - (b) The amount of Net Income and operating expenses for the following 12 months you report on the Work Sheet.

b. The Additional Condition, Coinsurance, is suspended until:

- (1) 12 months after the effective date of this Optional Coverage; or
- (2) The expiration date of this policy; whichever occurs first.

c. We will reinstate the Additional Condition, Coinsurance, automatically if you do not submit a new Work Sheet and Agreed Value:

- (1) Within 12 months of the effective date of this Optional Coverage; or
- (2) When you request a change in your Business Income Limit of Insurance.

d. If the Business Income Limit of Insurance is less than the Agreed Value, we will not pay more of any loss than the amount of loss multiplied by:

- (1) The Business Income Limit of Insurance; divided by
- (2) The Agreed Value.

EXAMPLE

When: The Limit of Insurance is: \$100,000
 The Agreed Value is: \$200,000
 The amount of loss is: \$ 80,000

Step (1): \$100,000 ÷ \$200,000 = .50

Step (2): .50 x \$80,000 = \$40,000

We will pay \$40,000. The remaining \$40,000 is not covered.

4. Extended Period Of Indemnity

Under Paragraph A.5.c., **Extended Business Income**, the number 30 in Subparagraphs (1)(b) and (2)(b) is replaced by the number shown in the Declarations for this Optional Coverage.

F. Definitions

1. "Finished stock" means stock you have manufactured.

"Finished stock" also includes whiskey and alcoholic products being aged, unless there is a Coinsurance percentage shown for Business Income in the Declarations.

"Finished stock" does not include stock you have manufactured that is held for sale on the premises of any retail outlet insured under this Coverage Part.

2. "Operations" means:

- a. Your business activities occurring at the described premises; and
- b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

3. "Period of restoration" means the period of time that:

- a. Begins:
 - (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
 - (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

- b. Ends on the earlier of:
 - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
 - (2) The date when business is resumed at a new permanent location.

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

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

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

4. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
5. "Rental Value" means Business Income that consists of:
 - a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred as rental income from tenant occupancy of the premises described in the Declarations as furnished and equipped by you, including fair rental value of any portion of the described premises which is occupied by you; and
 - b. Continuing normal operating expenses incurred in connection with that premises, including:
 - (1) Payroll; and
 - (2) The amount of charges which are the legal obligation of the tenant(s) but would otherwise be your obligations.
6. "Suspension" means:
 - a. The slowdown or cessation of your business activities; or
 - b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

CAUSES OF LOSS – SPECIAL FORM

Words and phrases that appear in quotation marks have special meaning. Refer to Section G., Definitions.

A. Covered Causes Of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

1. Excluded in Section B., Exclusions; or
2. Limited in Section C., Limitations;

that follow.

B. Exclusions

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

a. Ordinance Or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property has not been damaged; or
- (b) The increased costs incurred to comply with an ordinance or law in the course of construction, repair, renovation, remodeling or demolition of property, or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including any earth sinking, rising or shifting related to such event;

- (2) Landslide, including any earth sinking, rising or shifting related to such event;
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
- (4) Earth sinking (other than sinkhole collapse), rising or shifting including soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface.

But if Earth Movement, as described in b.(1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or Volcanic Action, we will pay for the loss or damage caused by that fire, building glass breakage or Volcanic Action.

Volcanic Action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- (a) Airborne volcanic blast or airborne shock waves;
- (b) Ash, dust or particulate matter; or
- (c) Lava flow.

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

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

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this Coverage Part.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure:

- (1) Originates away from the described premises; or
- (2) Originates at the described premises, but only if such failure involves equipment used to supply the utility service to the described premises from a source away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service, results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

f. War And Military Action

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves, tides, tidal waves, overflow of any body of water, or their spray, all whether driven by wind or not;

- (2) Mudslide or mudflow;

- (3) Water that backs up or overflows from a sewer, drain or sump; or

- (4) Water under the ground surface pressing on, or flowing or seeping through:

- (a) Foundations, walls, floors or paved surfaces;

- (b) Basements, whether paved or not; or

- (c) Doors, windows or other openings.

But if Water, as described in **g.(1)** through **g.(4)** above, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

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

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

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

This exclusion does not apply:

- (1) When "fungus", wet or dry rot or bacteria results from fire or lightning; or

- (2) To the extent that coverage is provided in the Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria with respect to loss or damage by a cause of loss other than fire or lightning.

Exclusions B.1.a. through B.1.h. apply whether or not the loss event results in widespread damage or affects a substantial area.

- 2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (a) Electrical current, including arcing;
- (b) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (c) Pulse of electromagnetic energy; or
- (d) Electromagnetic waves or micro-waves.

But if fire results, we will pay for the loss or damage caused by that fire.

- b. Delay, loss of use or loss of market.
- c. Smoke, vapor or gas from agricultural smudging or industrial operations.
- d. (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;

- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals.
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force. But if mechanical breakdown results in elevator collision, we will pay for the loss or damage caused by that elevator collision.
- (7) The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature; or
 - (c) Marring or scratching.

But if an excluded cause of loss that is listed in 2.d.(1) through (7) results in a "specified cause of loss" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss" or building glass breakage.

- e. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.
- f. 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.
- g. Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:
 - (1) You do your best to maintain heat in the building or structure; or

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

h. Dishonest or criminal act by you, any of your partners, members, officers, managers, employees (including leased employees), directors, trustees, authorized representatives or anyone to whom you entrust the property for any purpose:

- (1) Acting alone or in collusion with others; or
- (2) Whether or not occurring during the hours of employment.

This exclusion does not apply to acts of destruction by your employees (including leased employees); but theft by employees (including leased employees) is not covered.

i. Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

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

k. Collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;
- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to (1) or (2) above.

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

This exclusion, k., does not apply:

- (a) To the extent that coverage is provided under the Additional Coverage – Collapse; or
- (b) To collapse caused by one or more of the following:
 - (i) The "specified causes of loss";

(ii) Breakage of building glass;

(iii) Weight of rain that collects on a roof; or

(iv) Weight of people or personal property.

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

This exclusion, l., does not apply to damage to glass caused by chemicals applied to the glass.

m. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.

b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;
- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
- (3) Materials used in repair, construction, renovation or remodeling; or
- (4) Maintenance;

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

4. Special Exclusions

The following provisions apply only to the specified Coverage Forms.

a. Business Income (And Extra Expense) Coverage Form, Business Income (Without Extra Expense) Coverage Form, Or Extra Expense Coverage Form

We will not pay for:

(1) Any loss caused by or resulting from:

- (a)** Damage or destruction of "finished stock"; or
- (b)** The time required to reproduce "finished stock".

This exclusion does not apply to Extra Expense.

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

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

- (a)** Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
- (b)** Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the "suspension" of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage and the Extended Period Of Indemnity Optional Coverage or any variation of these.

(4) Any Extra Expense caused by or resulting from suspension, lapse or cancellation of any license, lease or contract beyond the "period of restoration".

(5) Any other consequential loss.

b. Leasehold Interest Coverage Form

(1) Paragraph B.1.a., Ordinance Or Law, does not apply to insurance under this Coverage Form.

(2) We will not pay for any loss caused by:

- (a)** Your cancelling the lease;
- (b)** The suspension, lapse or cancellation of any license; or
- (c)** Any other consequential loss.

c. Legal Liability Coverage Form

(1) The following exclusions do not apply to insurance under this Coverage Form:

- (a)** Paragraph B.1.a., Ordinance Or Law;
- (b)** Paragraph B.1.c., Governmental Action;
- (c)** Paragraph B.1.d., Nuclear Hazard;
- (d)** Paragraph B.1.e., Utility Services; and
- (e)** Paragraph B.1.f., War And Military Action.

(2) The following additional exclusions apply to insurance under this Coverage Form:

(a) Contractual Liability

We will not defend any claim or "suit", or pay damages that you are legally liable to pay, solely by reason of your assumption of liability in a contract or agreement. But this exclusion does not apply to a written lease agreement in which you have assumed liability for building damage resulting from an actual or attempted burglary or robbery, provided that:

- (i) Your assumption of liability was executed prior to the accident; and
- (ii) The building is Covered Property under this Coverage Form.

(b) Nuclear Hazard

We will not defend any claim or "suit", or pay any damages, loss, expense or obligation, resulting from nuclear reaction or radiation, or radioactive contamination, however caused.

5. Additional Exclusion

The following provisions apply only to the specified property.

LOSS OR DAMAGE TO PRODUCTS

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

C. Limitations

The following limitations apply to all policy forms and endorsements, unless otherwise stated.

- 1. We will not pay for loss of or damage to property, as described and limited in this section. In addition, we will not pay for any loss that is a consequence of loss or damage as described and limited in this section.
 - a. Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

- b. Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.
- c. The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice, sand or dust, whether driven by wind or not, unless:
 - (1) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
 - (2) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.
- d. Building materials and supplies not attached as part of the building or structure, caused by or resulting from theft.

However, this limitation does not apply to:

- (1) Building materials and supplies held for sale by you, unless they are insured under the Builders Risk Coverage Form; or
- (2) Business Income Coverage or Extra Expense Coverage.
- e. Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property.
- f. Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.
- 2. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:
 - a. Animals, and then only if they are killed or their destruction is made necessary.
 - b. Fragile articles such as statuary, marbles, chinaware and porcelains, if broken. This restriction does not apply to:
 - (1) Glass; or

(2) Containers of property held for sale.

c. Builders' machinery, tools and equipment owned by you or entrusted to you, provided such property is Covered Property.

However, this limitation does not apply:

(1) If the property is located on or within 100 feet of the described premises, unless the premises is insured under the Builders Risk Coverage Form; or

(2) To Business Income Coverage or to Extra Expense Coverage.

3. The special limit shown for each category, a. through d., is the total limit for loss of or damage to all property in that category. The special limit applies to any one occurrence of theft, regardless of the types or number of articles that are lost or damaged in that occurrence. The special limits are:

a. \$2,500 for furs, fur garments and garments trimmed with fur.

b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.

c. \$2,500 for patterns, dies, molds and forms.

d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.

4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:

a. Results in discharge of any substance from an automatic fire protection system; or

b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

D. Additional Coverage – Collapse

The coverage provided under this Additional Coverage – Collapse applies only to an abrupt collapse as described and limited in D.1. through D.7..

1. For the purpose of this Additional Coverage – Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;

c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.

d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:

(1) A cause of loss listed in 2.a. or 2.b.;

(2) One or more of the "specified causes of loss";

(3) Breakage of building glass;

(4) Weight of people or personal property; or

(5) Weight of rain that collects on a roof.

3. This Additional Coverage – Collapse does not apply to:

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

4. With respect to the following property:

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

if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
- (2) The property is Covered Property under this Coverage Form.

5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:

- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;

b. The personal property which collapses is inside a building; and

- c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage – Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

7. This Additional Coverage – Collapse will not increase the Limits of Insurance provided in this Coverage Part.

8. The term Covered Cause of Loss includes the Additional Coverage – Collapse as described and limited in D.1. through D.7..

E. Additional Coverage – Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria

1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria is 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.

- a. A "specified cause of loss" other than fire or lightning; or
- b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

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

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and

- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.
3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we 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 "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.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage – Collapse.
6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form.
- a. If the loss which resulted in "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 property caused by "fungus", wet

or dry rot or bacteria, then our 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.

- b. 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", we 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 is limited to 30 days. The days need not be consecutive.

F. Additional Coverage Extensions

1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
- (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion, or vandalism.
 - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.
 - (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.
- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, F.3., does not increase the Limit of Insurance.

G. Definitions

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

- 2. "Specified causes of loss" means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire-extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.

- b. Falling objects does not include loss or damage to:

- (1) Personal property in the open; or
- (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.

- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EQUIPMENT BREAKDOWN COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CAUSES OF LOSS - BASIC FORM
CAUSES OF LOSS - BROAD FORM
CAUSES OF LOSS - SPECIAL FORM

A. The following is added as an Additional Coverage to the Causes of Loss - Basic Form, Broad Form or Special Form.

Additional Coverage - Equipment Breakdown

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

1. We 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 you, or operated under your 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 an Equipment Breakdown Supplemental Declarations, 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 your damaged Covered Property, we will pay the reasonable extra cost to:

- (1) make temporary repairs; and
- (2) expedite permanent repairs or permanent replacement.

The most we will pay for loss or expense under this coverage is \$100,000 unless otherwise shown in an Equipment Breakdown Supplemental Declarations.

b. Hazardous Substances

We will pay for the 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 we will pay for loss, damage or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$100,000 unless otherwise shown in an Equipment Breakdown Supplemental Declarations.

c. Spoilage

(1) We 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 you incur to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (2) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our 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 you otherwise would have had. Otherwise our payment will be determined in accordance with the Valuation condition.

The most we will pay for loss, damage or expense under this coverage is \$100,000 unless otherwise shown in an Equipment Breakdown Supplemental Declarations.

d. Data Restoration

We will pay for your reasonable and necessary cost to research, replace and restore lost "data."

The most we will pay for loss or expense under this coverage, including actual loss of Business Income you sustain and necessary Extra Expense you incur, if shown as covered, is \$100,000 unless otherwise shown in an Equipment Breakdown Supplemental Declarations.

e. Service Interruption

- (1) Any insurance provided for Business Income, Extra Expense or Spoilage is extended to apply to your 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 you 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) We will not pay for any loss of Business Income you sustain that results from the interruption of utility services during the first 24 hours following the "accident." However, if a deductible is shown in an Equipment Breakdown Supplemental Declarations as provided for in paragraph B.1. below, or if the "period of restoration" begins more than 24 hours after the time of the direct physical damage for Business Income, then that deductible or time period will apply instead of the 24 hours provided for in this paragraph.
- (3) The most we 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 an Equipment Breakdown Supplemental Declarations for Service Interruption, that limit will apply to Business Income and Extra Expense loss under this coverage.

f. Business Income and Extra Expense

Any insurance provided under this coverage part for Business Income or Extra Expense is extended to the coverage provided by this endorsement. However, if a deductible is shown in an Equipment Breakdown Supplemental Declarations, then as respects Equipment Breakdown coverage, the "period of restoration" will begin immediately after the "accident," and the deductible shown in the Equipment Breakdown Supplemental Declarations will apply. The most we will pay for loss or expense under this coverage is the applicable limit for Business Income and Extra Expense, unless otherwise shown in an Equipment Breakdown Supplemental Declarations.

3. EXCLUSIONS

All exclusions in the Causes of Loss form apply except as modified below and to the extent that coverage is specifically provided by this Additional Coverage Equipment Breakdown.

a. The following exclusions are modified:

(1) If the Causes of Loss - Basic Form or Causes of Loss - Broad Form applies, the following is added to Exclusion B.2.:

Depletion, deterioration, corrosion, erosion, wear and tear, or other gradually developing conditions. However, if an "accident" results, we will pay for the resulting loss, damage or expense caused by that "accident."

(2) If the Causes of Loss - Special Form applies, as respects this endorsement only, the last paragraph of Exclusion B.2.d. is deleted and replaced with the following:

But if an excluded cause of loss that is listed in 2.d.(1) through (7) results in an "accident," we will pay for the loss, damage or expense caused by that "accident."

b. The following exclusions are added:

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

(a) 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

(b) 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, we will pay for the resulting loss, damage or expense caused by that "accident."

(2) With respect to Service Interruption coverage, we 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, we will also not pay for any increase in loss resulting from an agreement between you and your customer or supplier.

(4) We 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 mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is "perishable goods," to the extent that spoilage is covered under Spoilage coverage.

(5) We 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 an Equipment Breakdown Supplemental Declarations.

b. "Covered equipment"

(1) "Covered equipment" means, unless otherwise specified in an Equipment Breakdown Supplemental Declarations, Covered Property:

(a) that generates, transmits or utilizes energy, including electronic communications and data processing equipment; or

(b) which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

(2) None of the following is "covered equipment":

(a) structure, foundation, cabinet, compartment or air supported structure or building;

(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. However, "production machinery" does not mean any fired or unfired pressure vessel other than a cylinder containing a movable plunger or piston.

This term does not appear elsewhere in this endorsement, but may appear in an Equipment Breakdown Supplemental Declarations.

- 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 Building and Personal Property Coverage Form is modified as follows. The definitions stated above also apply to section B. of this endorsement.

1. DEDUCTIBLE

The deductible in the Declarations applies unless a separate Equipment Breakdown deductible is shown in an Equipment Breakdown Supplemental Declarations. If a separate Equipment Breakdown deductible is shown, the following applies.

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

a. Deductibles for Each Coverage

- (1) Unless the Equipment Breakdown Supplemental Declarations indicates that your deductible is combined for all coverages, multiple deductibles may apply to any "one accident."
- (2) We 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 Equipment Breakdown Supplemental Declarations. We 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 Equipment Breakdown Supplemental Declarations.
- (2) Unless more specifically indicated in the Equipment Breakdown Supplemental Declarations:
 - (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

We 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 Equipment Breakdown Supplemental Declarations. We 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 Equipment Breakdown Supplemental Declarations, we 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 Equipment Breakdown Supplemental Declarations 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, we 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 Building and Personal Property Coverage Form, the Commercial Property Conditions and the Common Policy Conditions.

a. Suspension

Whenever "covered equipment" is found to be in, or exposed to, a dangerous condition, any of our 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) your last known address; or
- (2) the address where the "covered equipment" is located.

Once suspended in this way, your insurance can be reinstated only by an endorsement for that "covered equipment." If we suspend your insurance, you 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, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

c. Environmental, Safety and Efficiency Improvements

If "covered equipment" requires replacement due to an "accident," we will pay your additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced. However, we will not pay more than 125% of what the cost would have been to replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which Actual Cash Value applies.

d. Coinsurance

If a coinsurance percentage is shown in an Equipment Breakdown Supplemental Declarations for specified coverages, the following condition applies.

We 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, we will determine what percentage this calculated product is compared to the applicable limit and apply that percentage to the gross amount of loss. We will then subtract the applicable deductible. The resulting amount, or the applicable limit, is the most we will pay. We will not pay for the remainder of the loss. Coinsurance applies separately to each insured location.

The most we will pay for loss, damage or expense under this endorsement arising from any "one accident" or any one occurrence is the applicable Limit of Insurance in the Declarations unless otherwise shown in an Equipment Breakdown Supplemental Declarations. Coverage provided under this endorsement does not provide an additional amount of insurance.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

COMMERCIAL PROPERTY CONDITIONS

This Coverage Part is subject to the following conditions, the Common Policy Conditions and applicable Loss Conditions and Additional Conditions in Commercial Property Coverage Forms.

A. CONCEALMENT, MISREPRESENTATION OR FRAUD

This Coverage Part is void in any case of fraud by you as it relates to this Coverage Part at any time. It is also void if you or any other insured, at any time, intentionally conceal or misrepresent a material fact concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

B. CONTROL OF PROPERTY

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

C. INSURANCE UNDER TWO OR MORE COVERAGES

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

E. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this Coverage Part without additional premium within 45 days prior to or during the policy period, the broadened coverage will immediately apply to this Coverage Part.

F. NO BENEFIT TO BAILEE

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

G. OTHER INSURANCE

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

H. POLICY PERIOD, COVERAGE TERRITORY

Under this Coverage Part:

1. We cover loss or damage commencing:
 - a. During the policy period shown in the Declarations; and
 - b. Within the coverage territory.
2. The coverage territory is:
 - a. The United States of America (including its territories and possessions);

- b. Puerto Rico; and
- c. Canada.

I. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- 1. Prior to a loss to your Covered Property or Covered Income.

- 2. After a loss to your Covered Property or Covered Income only if, at time of loss, that party is one of the following:

- a. Someone insured by this insurance;
- b. A business firm:
 - (1) Owned or controlled by you; or
 - (2) That owns or controls you; or
- c. Your tenant.

This will not restrict your insurance.

COMMON POLICY CONDITIONS

All Coverage Parts included in this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:
 - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

D. INSPECTIONS AND SURVEYS

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

E. Premiums

The first Named Insured shown in the Declarations:

1. Is responsible for the payment of all premiums; and
2. Will be the payee for any return premiums we pay.

F. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEBRIS REMOVAL ADDITIONAL INSURANCE

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*

Prem. No.	Bldg. No.	Debris Removal Amount	Additional Premium
00001	001	Refer to CPR2147	Included

*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

The additional amount of \$10,000 for debris removal in the **Debris Removal** Additional Coverages section is replaced by the higher amount shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UTILITY SERVICES – DIRECT DAMAGE

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Prem. No.	Bldg. No.	Utility Services Limit Of Insurance	Enter "X" for each applicable Property				
			Water Supply Property	Communica-tion Supply Property (including overhead transmission lines)	Communica-tion Supply Property (not including overhead transmission lines)	Power Supply Property (including overhead transmission lines)	Power Supply Property (not including overhead transmission lines)
00001	001	\$Refer to CPR2147	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Covered Property: Refer to CPR2162							
Causes Of Loss Form Applicable: Refer to CP1030							
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Covered Property:							
Causes Of Loss Form Applicable:							
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Covered Property:							
Causes Of Loss Form Applicable:							
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.							

A. Coverage

We will pay for loss of or damage to Covered Property described in the Schedule, caused by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as indicated in the Schedule) to the property described in Paragraph C. if such property is indicated by an "X" in the Schedule.

B. Exception

Coverage under this endorsement for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

C. Utility Services

1. Water Supply Services, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

2. Communication Supply Services, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;

b. Coaxial cables; and

c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

3. Power Supply Services, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

D. If a Utility Services Limit Of Insurance is shown in the Schedule, such limit is part of, not in addition to, the Limit of Insurance stated in the Declarations or in the Separation Of Coverage endorsement as applicable to the Covered Property.

If no Limit of Insurance is shown for Utility Services, coverage under this endorsement is subject to the applicable Limit of Insurance on the Covered Property as shown in the Declarations or in the Separation Of Coverage endorsement. But this Utility Services endorsement does not increase the applicable Limit of Insurance.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SPOILAGE COVERAGE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM

SCHEDULE

Prem. No.	Bldg. No.	Description Of Property	Limit Of Insurance	Deductible	Refrigeration Maintenance Agreement	Breakdown Or Contamination	Causes Of Loss:	
							Power Outage	Selling Price
00001	001	Refer to CPR2162	\$Refer to CPR2147	\$5,000			X	X
			\$	\$				
			\$	\$				
			\$	\$				
			\$	\$				

Information required to complete this Schedule, if not shown in this endorsement, will be shown in the Declarations.

The Coverage Form to which this endorsement applies is extended to insure against direct physical loss or damage by the Covered Causes of Loss, but only with respect to coverage provided by this endorsement.

A. Paragraph A.1., **Covered Property**, is replaced by the following:

1. Covered Property

Covered Property means "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

B. With respect to the coverage provided by this endorsement, property located on buildings or in the open or in vehicles is considered to be Property Not Covered.

C. Paragraph A.3., **Covered Causes Of Loss**, is replaced by the following:

3. Covered Causes Of Loss

Covered Causes of Loss means the following only if indicated by an "X" in the Schedule:

a. Breakdown or Contamination, meaning:

(1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and

(2) Contamination by the refrigerant.

b. Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

D. Selling Price

If Selling Price is indicated by an "X" in the Schedule, the following is added to the **Valuation Loss Condition**:

We will determine the value of finished "perishable stock" in the event of loss or damage at:

1. The selling price, as if no loss or damage had occurred;
2. Less discounts and expenses you otherwise would have had.

E. Paragraph A.5., **Coverage Extensions**, does not apply.

F. Paragraph B., **Exclusions**, is replaced by the following:

B. Exclusions

1. Only the following Exclusions contained in Paragraph B.1. of the Causes of Loss Form applicable to this Coverage Part apply to Spoilage Coverage:

- a. Earth Movement;
- b. Governmental Action;
- c. Nuclear Hazard;
- d. War And Military Action; and
- e. Water.

2. The following Exclusions are added:

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

- a. The disconnection of any refrigerating, cooling or humidity control system from the source of power.
- b. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- c. The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
 - (1) Lack of fuel; or
 - (2) Governmental order.
- d. The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.
- e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

G. Paragraph D., **Deductible**, is replaced by the following:

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance. No other deductible in this policy applies to the coverage provided by this endorsement.

H. Paragraph F., **Additional Conditions**, is replaced by the following:

ADDITIONAL CONDITION

The following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

REFRIGERATION MAINTENANCE AGREEMENTS

If Breakdown or Contamination is designated as a Covered Cause of Loss and a refrigeration maintenance agreement is shown as applicable by an "X" in the Schedule, the following condition applies:

You must maintain a refrigeration maintenance or service agreement. If you voluntarily terminate this agreement and do not notify us, the insurance provided by this endorsement will be automatically suspended at the involved location.

I. Paragraph G., **Optional Coverages**, does not apply.

J. The following is added to the **Definitions**:

"Perishable stock" means personal property:

- a. Maintained under controlled conditions for its preservation; and
- b. Susceptible to loss or damage if the controlled conditions change.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LOSS PAYABLE PROVISIONS

This endorsement modifies insurance provided under the following:

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

SCHEDULE

Prem. No.	Bldg. No.	Description Of Property	Loss Payee (Name & Address)	Provisions Applicable		
				Loss Payable	Lender's Loss Payable	Contract Of Sale
00001	001	400 Broadway Nashville, TN 37203	Pawnee Leasing Corporation 3801 Automation Way, Ste 207 Fort Collins, CO 80525 Lender on POS System. Value \$72000	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
00001	001	400 Broadway Nashville, TN 37203	Woodforest National Bank PO Box 863329 Plano, TX 75086-3329 #6937954	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

A. When this endorsement is attached to the STANDARD PROPERTY POLICY CP 00 99 the term Coverage Part in this endorsement is replaced by the term Policy.

The following is added to the LOSS PAYMENT Loss Condition, as indicated in the Declarations or by an "X" in the Schedule:

B. LOSS PAYABLE

For Covered Property in which both you and a Loss Payee shown in the Schedule or in the Declarations have an insurable interest, we will:

1. Adjust losses with you; and
2. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

C. LENDER'S LOSS PAYABLE

1. The Loss Payee shown in the Schedule or in the Declarations is a creditor, including a mortgageholder or trustee, whose interest in Covered Property is established by such written instruments as:

- a. Warehouse receipts;
- b. A contract for deed;
- c. Bills of lading;
- d. Financing statements; or
- e. Mortgages, deeds of trust, or security agreements.

2. For Covered Property in which both you and a Loss Payee have an insurable interest:

- a. We will pay for covered loss or damage to each Loss Payee in their order of precedence, as interests may appear.
- b. The Loss Payee has the right to receive loss payment even if the Loss Payee has started foreclosure or similar action on the Covered Property.
- c. If we deny your claim because of your acts or because you have failed to comply with the terms of the Coverage Part, the Loss Payee will still have the right to receive loss payment if the Loss Payee:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the Loss Payee.

All of the terms of this Coverage Part will then apply directly to the Loss Payee.

d. If we pay the Loss Payee for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The Loss Payee's rights will be transferred to us to the extent of the amount we pay; and
- (2) The Loss Payee's rights to recover the full amount of the Loss Payee's claim will not be impaired.

At our option, we may pay to the Loss Payee the whole principal on the debt plus any accrued interest. In this event, you will pay your remaining debt to us.

3. If we cancel this policy, we will give written notice to the Loss Payee at least:
 - a. 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - b. 30 days before the effective date of cancellation if we cancel for any other reason.
4. If we elect not to renew this policy, we will give written notice to the Loss Payee at least 10 days before the expiration date of this policy.

D. CONTRACT OF SALE

1. The Loss Payee shown in the Schedule or in the Declarations is a person or organization you have entered a contract with for the sale of Covered Property.

2. For Covered Property in which both you and the Loss Payee have an insurable interest we will:

- a. Adjust losses with you; and
- b. Pay any claim for loss or damage jointly to you and the Loss Payee, as interests may appear.

3. The following is added to the OTHER INSURANCE Condition:

For Covered Property that is the subject of a contract of sale, the word "you" includes the Loss Payee.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OUTDOOR TREES, SHRUBS AND PLANTS

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

SCHEDULE*

Prem. No.	Bldg. No.	Limit of Insurance				Causes of Loss Form Applicable	Vehicle Exclusion	Additional Premium
		Each Tree	Each Shrub	Each Plant	All Items			
00001	001	\$1,000	\$1,000	\$1,000	\$10,000	Refer to CP0010	X	Included

* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

A. The following is added to Covered Property:

Outdoor trees, shrubs and plants at locations described in the Schedule.

B. The following is deleted from Property Not Covered:

"Trees, shrubs or plants"

C. The most we will pay for loss or damage to covered trees, shrubs and plants in any one occurrence is the Limit of Insurance for All Items, subject to the separate limit applicable to Each Tree, Shrub or Plant, shown in the Schedule.

D. Outdoor trees, shrubs and plants are subject to all applicable provisions of the Causes Of Loss Form indicated in the Schedule, as well as to the following exclusions:

We will not pay for loss or damage to outdoor trees, shrubs or plants, caused by or resulting from any of the following:

1. Dampness or dryness of atmosphere;
2. Changes in or extremes of temperature; or
3. Rain, snow, ice or sleet.

E. If the Vehicle Exclusion option is designated in the Schedule by an "X," we will not pay for loss or damage caused by vehicles to outdoor trees, shrubs or plants.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

OUTDOOR SIGNS

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM
 CONDOMINIUM ASSOCIATION COVERAGE FORM
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM
 STANDARD PROPERTY POLICY

SCHEDULE

Premises Number:	00001	Building Number:	001
Description Of Sign: Unknown			
Construction Of Sign: <input type="checkbox"/> Entirely Metal <input checked="" type="checkbox"/> Other			
Limit Of Insurance: \$Refer to CPR2147			
Coinsurance Percentage: N/A %			
Additional Premium: \$Included			
Premises Number:		Building Number:	
Description Of Sign:			
Construction Of Sign: <input type="checkbox"/> Entirely Metal <input type="checkbox"/> Other			
Limit Of Insurance: \$			
Coinsurance Percentage: %			
Additional Premium: \$			
Premises Number:		Building Number:	
Description Of Sign:			
Construction Of Sign: <input type="checkbox"/> Entirely Metal <input type="checkbox"/> Other			
Limit Of Insurance: \$			
Coinsurance Percentage: %			
Additional Premium: \$			
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.			

With respect to the outdoor signs described in the Schedule, the provision in the Limits Of Insurance section which pertains to signs does not apply. The limit applicable to each sign is shown in the Schedule. The limit applicable to each sign is the most we will pay for loss or damage to the sign in any one occurrence.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UTILITY SERVICES – TIME ELEMENT

This endorsement modifies insurance provided under the following:

BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM
 BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM
 EXTRA EXPENSE COVERAGE FORM

SCHEDULE

Prem. No.	Bldg. No.	Utility Services Limit Of Insurance	Enter "X" for each applicable Property				
			Water Supply Property	Communication Supply Property (including overhead transmission lines)	Communication Supply Property (not including overhead transmission lines)	Power Supply Property (including overhead transmission lines)	Power Supply Property (not including overhead transmission lines)
00001	001	\$Refer to CPR2147	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Causes Of Loss Form Applicable: Refer to CP1030							
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Causes Of Loss Form Applicable:							
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Causes Of Loss Form Applicable:							
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.							

A. Coverage

Your coverage for Business Income and/or Extra Expense, as provided and limited in the applicable Coverage Form, is extended to apply to a "suspension" of "operations" at the described premises caused by an interruption in utility service to that premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as indicated in the Schedule) to the property described in Paragraph C. if such property is indicated by an "X" in the Schedule.

B. Exception

Coverage under this endorsement does not apply to Business Income loss or Extra Expense related to interruption in utility service which causes loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

C. Utility Services

1. **Water Supply Services**, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

2. **Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services, to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

3. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

D. The **Coinsurance** Additional Condition does not apply to this endorsement.

E. The **Utility Services Limit Of Insurance**, as shown in the Schedule, is the only Limit which applies to the coverage provided under this endorsement, and is part of, not in addition to, the Limit of Insurance stated in the Declarations as applicable to the described premises.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTOMATIC ACQUISITION ENDORSEMENT

- A.** We will pay for newly acquired property, not otherwise insured, which you acquire or become responsible for if you report the value(s) to us within 60 days from the date of acquisition.
- B.** We will not pay:
- 1.** More than the replacement cost of real property (if replacement cost is endorsed to this policy) or the actual cash value of personal property; and, in no event for more than \$ 500,000;
 - 2.** For any property you acquired or became responsible for if it is not reported to us within the 60 days of acquisition; or
 - 3.** For any property you acquired or became responsible for before the inception of this policy.
 - 4.** More than the Limits of Insurance of the policy to which this endorsement is attached.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

VALUABLE PAPERS AND RECORDS

We will pay for direct physical loss of or damage to "Valuable Papers and Records," as defined below and subject to the following provisions:

1. COVERED PROPERTY

This extension of coverage applies to "Valuable Papers and Records" while on the "Premises" located at the following locations (except as provided for in paragraph 2.) and is subject to the limit indicated below:

A. All "Valuable Papers and Records" not specified in **B.** below:

LOCATION:	LIMIT OF LIABILITY:
00001-001	\$ 25,000

B. Specified Articles:

DESCRIPTION OF ARTICLES:	LIMIT OF LIABILITY:
N/A	\$ N/A

2. DEFINITIONS

"Valuable Papers and Records" means written, printed or inscribed documents, manuscripts or records, including books, maps, films, drawings, abstracts, deeds or mortgages. "Valuable Papers and Records" does not mean "money" or "securities," converted data, programs or instructions used in your data processing operations, including the materials on which the data is recorded.

"Premises" means the interior of that portion of the building at the location(s) designated above that you occupy for your business.

"Money" means currency, coins, bullion and bank notes whether or not in current use, as well as travelers checks, registered checks and money orders held for sale to the public.

"Securities" means all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps in current use, tokens and tickets. "Securities" also means evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue. "Securities" does not include money.

3. EXCLUSIONS

The following exclusions apply to coverage provided by this endorsement and are in addition to exclusions contained elsewhere in this policy:

A. This endorsement does not insure against physical loss of or damage to:

1. Property not specifically declared, described and valued in paragraph 1.B. of this endorsement if such property cannot be replaced with other of like kind and quality or restored to usable conditions;

2. Property held as samples or for sale or for delivery after sale; or
3. Data processing equipment and media. Media means magnetic tapes, disk packs, diskettes, paper tapes, cards, and other material on which data is stored. It includes data stored on the media.

B. This endorsement does not insure against loss resulting from:

1. Errors or omissions in processing or copying;
2. Unauthorized instructions to transfer property to any person or to any place;
3. Voluntary parting with any property by the insured or any associate, proprietor, partner, director, trustee, officer, employee or agent of any insured if induced to do so by any fraudulent scheme, trick, device or false pretense.

4. LIMIT OF INSURANCE

We will not pay more than:

- A.** The amount scheduled under paragraph **1.B.** of this endorsement; or
- B.** The least of the following if not scheduled under paragraph **1.B.** of this endorsement:
 1. The cost to research (to the extent necessary) and replace the "Valuable Papers and Records"; or
 2. The cost to repair or restore the "Valuable Papers or Records"; or
 3. The applicable limit stated in this endorsement.

However, we will not, in any case, pay more than the Per Occurrence Loss Limit shown in the Declarations in one disaster, casualty, or event, no matter how many locations are involved.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ACCOUNTS RECEIVABLE

We will pay for direct physical loss of or damage to Accounts Receivable, as defined below and subject to the following provisions:

1. COVERAGE

A. We will pay:

1. All sums due from your customers that you are unable to collect thereof as the direct result of loss of or damage to records of accounts receivable;
2. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
3. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage;
4. Other reasonable expenses that you incur to re-establish your records of accounts receivable;

That result from direct physical loss of or damage to your records of accounts receivable.

- B.** This extension of coverage applies to records of accounts receivable while on the "premises" at the following locations and is subject to Limit of Insurance indicated below:

LOCATION	LIMIT OF INSURANCE
00001-001	\$ 25,000
N/A	\$ N/A

2. PERILS NOT COVERED

We will not pay for loss or damage:

- A.** Caused directly or indirectly by bookkeeping, accounting or billing errors or omissions;
- B.** That requires any audit of records or an inventory computation to prove its factual existence;
- C.** Due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable done to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property, but only to the extent to such wrongful giving, taking, obtaining or withholding;
- D.** Unauthorized instructions to transfer property to any person or to any place;
- E.** Due to an error or omission in programming; or
- F.** Caused by providing improper data entry instructions.

3. DEFINITION

"Premises" means the interior of that portion of the building at the location(s) designated above that you occupy for your business.

4. DETERMINATION OF RECEIVABLES

- A.** If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:
- 1.** Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - 2.** Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
- B.** The following will be deducted from the total amount of accounts receivable, however that amount is established:
- 1.** The amount of the accounts for which there is no loss or damage;
 - 2.** The amount of the accounts that you are able to re-establish or collect;
 - 3.** An amount to allow for probable bad debts that you are normally unable to collect; and
 - 4.** All unearned interest and service charges.

However, we will not, in any case, pay more than the Per Occurrence Loss Limit shown in the Declarations in one disaster, casualty, or event, no matter how many locations are involved.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Policy Number: MCP0168865

Mt. Hawley Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL NAMED INSUREDS

The following are added to this policy as Named Insureds:

Rooke, LLC
dba Riot House Group
dba RHG

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FINE ARTS ENDORSEMENT

- A.** Covered Property includes coverage for fine arts, meaning paintings, etchings, pictures, tapestries, rare or art glass, art glass windows, valuable rugs, statuary, sculptures, "antique" furniture, "antique" jewelry, bric-a-brac, porcelains, and similar property of rarity, historical value, or artistic merit.
- B.** The Limit of Insurance as shown in the Declarations is subject to a sub-limit of \$ 25,000. This sub-limit is a limit or amount per occurrence, and is included in and does not increase the Limit of Insurance shown in the Declarations. We will not, in any case, exceed this sub-limit in one disaster, casualty or event, no matter how many locations are involved.
- C.** "Antique" means an object having value because its craftsmanship is in the style or fashion of former times, and because it is 100 or more years old.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANCELLATION ENDORSEMENT - INCREASED PERIOD

The General Condition in this policy that addresses Cancellation, is replaced by the following:

Cancellation

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. If we cancel this policy for nonpayment of premium, we will give you notice at least:

10 days

60 days

90 days

before the cancellation is effective. If we cancel this policy for any other reason, we will give you notice at least:

30 days

45 days

60 days

90 days

in advance of cancellation.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Policy Number: MCP0168865

Mt. Hawley Insurance Company

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SEWER BACK UP ENDORSEMENT

The most we pay for loss caused by water that backs up through a sewer or drain is \$25,000 per occurrence. This Limit of Insurance is a part of, and not in addition to, the Per Occurrence Loss Limit shown in the Declarations. \$ 5,000 will be deducted from each loss.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXTENDED PERIOD OF INDEMNITY ENDORSEMENT

When made a part of this policy, this endorsement changes the definition of Covered Property to include coverage for Extended Period of Indemnity and becomes a part of the Business Income endorsement(s) made a part of this policy.

If the necessary "suspension" of your "operations" produces a Business Income or "Rental Value" loss payable under this policy, we will pay for the actual loss of Business Income or "Rental Value" you incur during the period that:

1. Begins on the date property (except "finished stock") is actually repaired, rebuilt or replaced and "operations" are resumed or tenantability is restored; and
2. Ends on the earlier of:
 - (a) The date you could restore your "operations" or tenant occupancy, with reasonable speed, to the level which would generate the business income or "Rental Value" amount that would have existed if no direct physical loss or damage had occurred; or
 - (b) 90 consecutive days after the date determined in 1. above.

However, Extended Period of Indemnity does not apply to loss of Business Income or "Rental Value" incurred as a result of unfavorable business conditions caused by the impact of the covered peril in the area where the described premises are located.

Loss of Business Income or "Rental Value" must be caused by direct physical loss or damage at the described premises caused by or resulting from a covered peril.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROTECTIVE SAFEGUARD ENDORSEMENT

As a condition of this insurance, it is understood and agreed that the protective devices or services set forth in the Schedule below will be maintained in complete working order.

Schedule

Protective Device or Service	Location
"BR-1" Automatic Burglary Alarm (central station)	00001-001
"CC-1" Cooking Equipment Safeguard	00001-001
"P-1" Automatic Sprinkler System	00001-001

"P-1" Automatic Sprinkler System, including related supervisory services. Automatic Sprinkler System means any automatic fire protective or extinguishing system, including connected sprinklers and discharge nozzles, ducts, pipes, valves, fittings, tanks, pumps and private fire protection mains.

"P-2" Automatic Fire Alarm, protecting the entire building, that is connected to a central station, or reporting to a public or private fire alarm station.

"P-3" Security Service, with a recording system or watch clock, making hourly rounds covering the entire building when the premises are not in actual operation.

"P-4" Service Contract, with a privately owned fire department providing fire protection service to the described premises.

"BR-1" Automatic Burglary Alarm, protecting the entire building, that signals to an outside central station or a police station.

"BR-2" Automatic Burglary Alarm, protecting the entire building, that has a loud sounding gong or siren on the outside of the building.

"CC-1" Cooking Equipment Safeguard, meaning a U.L. approved automatic extinguishing system protecting all cooking equipment, hoods and duct areas. In addition, you must:

- A. Maintain the extinguishing system and all associated equipment in complete working order, and give us immediate notice of any impairment or suspension of the automatic extinguishing system; and
- B. Maintain the services of an independent contractor for the express purpose of cleaning and degreasing, not less often than once every six (6) months, all hood and duct systems installed in conjunction with cooking units at the locations described. You must give us immediate notice of any impairment or suspension of such service.

"P-9" The protective system or service set forth in the above Schedule.

"SP-1" Secured premises, meaning all premises entryways (gates, doors and windows) are locked to prevent unauthorized entry.

"SD-1" Fully functional Smoke Detectors are properly located in all units.

"UT-1" Utilities are on to prevent freezing of any and all pipes and drains.

We will not pay for loss or damage if the protective safeguard or service listed in the above Schedule was not maintained in complete working order and such failure to maintain contributed directly or indirectly to the loss or damage or to the extent of such loss or damage.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ASBESTOS EXCLUSION

It is agreed that this policy does not insure against loss or damage arising from asbestos material, including but not limited to costs or expenses incurred by the Insured as a result of any of the following:

- (1) asbestos material removal, containment, or other abatement;
- (2) demolition or increased cost of construction, repair, debris removal, or loss of use necessitated by the enforcement of any law or ordinance regulating asbestos material; and/or
- (3) any governmental direction or request declaring that such asbestos material present in or part of or utilized on any undamaged portion of the insured's property can no longer be used for the purpose for which it was intended or installed and must be removed or modified;

Nor does any coverage provided by this policy apply to payment for the investigation or defense of any loss, damage or any cost, loss of use expense, fine or penalty or for any expense or claim or suit related to any of the above.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WATER EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART STANDARD PROPERTY POLICY

A. The exclusion in Paragraph **B.** replaces the **Water Exclusion** in this Coverage Part or Policy.

B. Water

1. Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
2. Mudslide or mudflow;
3. Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment;
4. Water under the ground surface pressing on, or flowing or seeping through:
 - a. Foundations, walls, floors or paved surfaces;
 - b. Basements, whether paved or not; or
 - c. Doors, windows or other openings; or

5. Waterborne material carried or otherwise moved by any of the water referred to in Paragraph **1.**, **3.** or **4.**, or material carried or otherwise moved by mudslide or mudflow.

This exclusion applies regardless of whether any of the above, in Paragraphs **1.** through **5.**, is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

But if any of the above, in Paragraphs **1.** through **5.**, results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage (if sprinkler leakage is a Covered Cause of Loss).

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DEFINITION OF OCCURRENCE

Occurrence means the total loss or damage caused by a distinct, single incidence of a peril or combination of perils insured against, except:

- A.** For a single atmospheric disturbance including tornado, cyclone, hurricane, windstorm, hail, tropical storm or cyclone, typhoon, hail and winter storm/freeze, an occurrence is limited to the total of all losses, damage, or expenses sustained or commencing during a continuous 144 hour period;
- B.** For riot, riot attending a strike and civil commotion an occurrence is limited to the total of all losses, damage or expenses sustained or commencing during a continuous 96 hour period.

In reference to items **A.** and **B.** above, you may decide when the applicable continuous number of hour period begins.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF LIABILITY ENDORSEMENT

The following special terms and conditions apply to this policy:

- A. The Limit of Insurance or amount of insurance shown in the Declarations page of this policy is a limit or amount per occurrence, except for "earthquake" and "flood," if covered, where an annual aggregate applies. We will not pay more than this limit or amount in one disaster, casualty, or event, no matter how many locations are involved.
- B. The premium for this policy is based on the schedule or statement of values on file with us or attached to this policy. If there is a loss under this policy, we will not pay more than the least of the following:
 - 1. The actual adjusted amount of loss, minus the deductible(s) that applies;
 - 2. The Limit of Insurance or amount of insurance per occurrence shown in the Declarations page of this policy or endorsed onto this policy; or
 - 3. The stated value for the specific property involved in the loss as shown on the latest statement of values on file with us, minus the deductible(s) that applies.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ABSOLUTE POLLUTION EXCLUSION ENDORSEMENT

This endorsement replaces any existing terms and/or exclusions regarding pollution liability within this policy.

We will not pay for loss, damage, cost or expense caused directly or indirectly by any of the following. 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:

- A.** Property damage arising out of the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants," or contaminants;
1. At or from premises owned, leased, rented or occupied by you,
 2. At or from any site or location used by or for you or others for the handling, storage, disposal, processing or treatment of waste,
 3. Which are at any time transported, handled, stored, treated, disposed of or processed as waste by or for you or any person or organization for whom you may be legally responsible, or,
 4. At or from any site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations;
 - a. If the "pollutants" are brought on or to the site or location in connection with such operations, or
 - b. If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the "pollutants."
- B.** Any loss, damage, cost or expense arising out of any governmental direction or request that you test for, monitor, clean up, treat, remove, detoxify or neutralize "pollutants" or in any way respond to or assess the effects of "pollutants."

This includes loss or damage caused by or resulting from contributing to or made worse by actual, alleged or threatened release, discharge, escape or dispersal of contaminants and/or pollutants, all of which direct or indirect, proximate or remote, or in whole or in part, caused by, contributed to, or aggravated by any damage insured by the policy.

"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. In addition to "pollutants" to be disposed of, waste also includes materials to be recycled, reconditioned or reclaimed. It also includes any material which after its release, dispersal or discharge, can cause or threaten damage to human health and/or human welfare, or causes or threatens damage, deteriorations, loss of value, marketability and/or loss of use, to insured property; including, but not limited to bacteria, fungi, virus, or hazardous substances as listed in the Federal Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976 and/or Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

EXCLUSION OF CERTAIN COMPUTER RELATED LOSSES

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED. PLEASE READ IT CAREFULLY.

- A. We will not pay for loss or damage, whether direct or indirect, to "electronic data processing equipment":
1. Arising from "computer virus" and/or "computer hacking";
 2. Caused by the transfer or delivery of covered property from a covered location or your computer to a person or place outside of a covered location on the basis of unauthorized or fraudulent instructions, including but not limited to instructions transmitted by a computer, whether or not owned by you, or via any telecommunications transmission method;
 3. Arising from costs to research, replace or restore the information contained on electronic or magnetic media;
 4. Arising from electrical disturbance including electrical or magnetic damage, disturbance of electronic recordings, or erasure of electronic recordings;
 5. Arising from power supply disturbance including interruption of power supply, power surge, blackout, or brownout;
 6. During the period when your business is interrupted as a result of loss to your web site operation whether or not maintained or operated by you and whether or not located at the described premises;
 7. Arising from the failure, malfunction or inadequacy of:
 - a. Such "electronic data processing equipment" whether belonging to you or to others;
 - b. Any products, and any services, data or functions that directly or indirectly use or rely on, in any manner, such "electronic data processing equipment" due to the inability to correctly recognize, process, distinguish, interpret, or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000; and/or
 8. Arising from any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in this endorsement.

Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss or damage.

- B. However, if direct physical loss or damage from a covered peril results, then subject to all of its terms and conditions, we will only pay for the resulting direct physical loss or damage.
- C. Claims for resulting physical loss or damage at multiple locations will constitute a separate occurrence at each location.

D. DEFINITIONS

1. "Computer virus" means the introduction into a computer of any self-replicating electronic data processing code or other code that is intended to:
 - a. Result in the deletion, destruction, generation, or modification of data;

- b. Alter, contaminate, corrupt, degrade, or destroy the integrity, quality, or performance of data;
 - c. Damage, destroy, or cause malfunction, inadequacy, degradation, or corruption of any hardware or processing, recording, or storage media used with hardware; or
 - d. Deny access to or services from your computer, your computer network or web site.
2. "Computer hacking" means an unauthorized intrusion by an individual or group of individuals, whether employed by you or not, into a computer or computer network that can:
- a. Result in the deletion, destruction, generation, or modification of data;
 - b. Alter, contaminate, corrupt, degrade, or destroy the integrity, quality, or performance of data;
 - c. Result in the scanning or copying of data;
 - d. Cause damage, destruction, inadequacy, malfunction, degradation, or corruption of any hardware or processing, recording, or storage media used with hardware; or
 - e. Result in the denial of access to or denial of services from your computer, your computer network, or web site.
3. "Electronic data processing equipment" includes the following items:
- a. Computer hardware, including microprocessors;
 - b. Computer application software;
 - c. Computer operating systems and related software;
 - d. Computer networks;
 - e. Microprocessors (computer chips) not part of any computer system;
 - f. Any other computerized or electronic equipment or components; or
 - g. Any other products, and any services, data or functions that directly or indirectly use or rely upon, in any manner, any of the items listed in items a. through f. above. This includes any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential problems with items listed in a. through f. above.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

TERRORISM EXCLUSION

1. We will not pay for loss, damage, cost or expense caused directly or indirectly by "terrorism" including "certified acts of terrorism," as defined in the Terrorism Risk Insurance Act, as amended, unless specifically provided by endorsement to this policy or any action taken to control, prevent, or suppress terrorism. Such loss, damage, cost or expense is excluded regardless of any other cause or event that contributes concurrently or in any sequence to this loss.
2. The following definition is added and applies under this endorsement wherever the term "terrorism" is used.

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

A. That involve the following or preparation for the following:

1. Use or threat of force or violence; or
2. Commission or threat of a dangerous act; or
3. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and

B. When one or both of the following applies:

1. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
2. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

3. Fire Exception

The following provision applies only where relevant state law requires coverage for fire losses resulting from acts of terrorism, and where a premium for such has been paid.

If an act of terrorism results in fire, we will pay for the loss or damage caused by that fire. This exception for fire applies only to direct loss or damage by fire to covered property. This exception does not apply to coverage for business income, extra expense, or fire legal liability.

4. Neither the terms of this endorsement nor the terms of any other terrorism endorsement attached to this policy provide coverage for any loss that would otherwise be excluded by this policy under:
 - A. Exclusions that address war, military action, or nuclear hazard; or
 - B. Any other exclusion.
5. The absence of any other terrorism endorsement does not imply coverage for any loss that would otherwise be excluded by this policy under:
 - A. Exclusions that address war, military action, or nuclear hazard; or
 - B. Any other exclusion.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIRE DEPARTMENT SERVICE CHARGES ENDORSEMENT

When made a part of this policy, this endorsement replaces any Fire Department Service Charge wording that may appear elsewhere in this policy.

- A.** When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay your fire department service charges that are:
1. Assumed by contract or agreement prior to loss; or
 2. Required by local ordinance.
- B.** The most we will pay for this coverage under this endorsement in any one loss is the amount specifically stated in the Declarations. This Limit of Insurance is part of, and not in addition to, the Per Occurrence Loss Limit shown in the Declarations.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

UNNAMED LOCATIONS EXTENSION

This policy is extended to cover direct physical loss or damage to your Covered Property from a Covered Cause of Loss when that Covered Property is at a location(s) other than described in this policy.

The most we will pay for coverage under this endorsement in any one loss is the amount specifically stated for Unnamed Locations in the Declarations. This Limit of Insurance is part of, and not in addition to, the Per Occurrence Loss Limit shown in the Declarations.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MINIMUM EARNED PREMIUM ENDORSEMENT

This endorsement changes Cancellation conditions elsewhere in the policy as follows:

This policy is subject to a minimum earned premium of 25% of the annual policy premium or \$7,980, whichever is greater.

When you request that the policy be cancelled, the total earned premium will be the calculated premium for the term of the policy or the minimum earned premium as calculated above, whichever is greater.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NON-PAYMENT OF PREMIUM

Your failure to make a timely payment of any premium due either at inception of this policy or for any subsequent endorsement will be considered a request by you to us to cancel the policy.

If we cancel for non-payment of premium, the minimum earned premium, as determined by the Minimum Earned Premium Endorsement included in this policy, will be immediately due and payable.

At our discretion, we may consider reinstating coverage if you pay us the full amount of premium due prior to the effective date of cancellation.

However, payment of overdue premium by you will not guarantee the reinstatement of coverage. Should we decide not to reinstate coverage, any unearned premium will be refunded accordingly.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR, BIOLOGICAL, CHEMICAL OR RADIOACTIVE EXCLUSION

We will not pay for loss, damage, cost, or expense directly or indirectly from:

- 1) The use or threatened use of nuclear, biological, chemical, radioactive substances or the like, however caused.
- 2) The accidental discharge of nuclear, biological, chemical, radioactive substances or the like, however caused.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

FIRE PROTECTION EQUIPMENT RECHARGE ENDORSEMENT

We will pay up to \$Refer to CPR2147 for expenses incurred to recharge fire suppression systems or extinguishers when such systems or extinguishers are discharged to fight a hostile fire on the covered premises or if discharged due to another covered cause of loss. No deductible applies to this coverage.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

INCREASED PERIMETER OF COVERAGE ENDORSEMENT

The Building and Personal Coverage Form, CP-0010, is amended to increase the distance referenced in Section A, item 1, Covered Property, Your Business Personal Property, as well as the Personal Property of Others item, from 100 feet to 500 feet.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PROPERTY IN TRANSIT ADDITIONAL COVERAGE

The limit under Form CP-1030, Item F. Additional Coverage Extensions (1) Property In Transit is increased from \$ 5,000 to \$ Refer to CPR2147.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

Policy Number: MCP0168865

Mt. Hawley Insurance Company

Peoria, Illinois 61615

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SERVICE OF SUIT ENDORSEMENT

It is understood and agreed that in the event of the failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Named Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States of America. The foregoing shall not constitute a waiver of the right of the Company to remove, remand or transfer such suit to any other court of competent jurisdiction in accordance with the applicable statutes of the state or United States pertinent hereto. In any suit instituted against them upon this contract, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

It is further agreed that service of process in such suit may be made upon the Superintendent, Commissioner, or Director of Insurance or other person specified for that purpose in the statute or his successor or successors in office as their true and lawful attorney upon whom may be served any lawful process in any action, suit, or proceeding instituted by or on behalf of the Named Insured or any beneficiary hereunder arising out of this contract of insurance.

The Company hereby designates Craig W. Kliethermes, President,

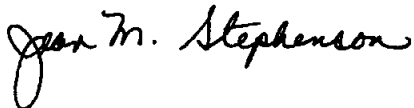
Mt. Hawley Insurance Company

9025 N. Lindbergh Drive, Peoria, Illinois 61615 as the person to whom the said Superintendent, Commissioner, or Director of Insurance is authorized to mail such process or a true copy thereof, in compliance with the applicable statutes governing said service of process in the state or jurisdiction in which a cause of action under this contract of insurance arises.

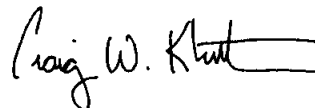
ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

SIGNATURE PAGE

In Witness Whereof, we have caused this policy to be executed and attested, and, if required by state law, this policy shall not be valid unless countersigned by our authorized representative.



Corporate Secretary



President & COO

Exhibit 2



STATE OF TENNESSEE
EXECUTIVE ORDER
BY THE GOVERNOR

No. 17

**AN ORDER TO MITIGATE THE SPREAD OF COVID-19 BY LIMITING
SOCIAL GATHERINGS, DINE-IN SERVICE, AND GYM USE, AND EXPOSURE AT
NURSING AND RETIREMENT HOMES, AND PROVIDING FLEXIBILITY FOR
RESTAURANTS REGARDING THE SALE OF ALCOHOL**

WHEREAS, local, state, and federal officials have taken numerous actions to limit the spread of Coronavirus Disease 2019 (COVID-19), including a series of statewide executive orders, a nationwide emergency declaration by President Trump, and many local health and emergency orders and actions; and

WHEREAS, on March 4, 2020, the first case of COVID-19 in the State of Tennessee was identified, and 370 additional cases of COVID-19 have been identified in Tennessee in the ensuing two-and-a-half weeks, indicating that the number of cases continues to increase and presents a serious risk to the health, safety, and welfare of Tennesseans; and

WHEREAS, the Centers for Disease Control and Prevention (CDC) has stated that COVID-19 is frequently spread "[b]etween people who are in close contact with one another (within about 6 feet)," and on March 16, 2020, President Trump issued the President's Coronavirus Guidelines for America, which encourage people to contribute to the containment of COVID-19 by taking various precautions, including:

- a. Working from home whenever possible;
- b. Avoiding social gatherings of ten (10) or more people;
- c. Avoiding eating or drinking at restaurants, bars, and food courts, and instead using drive-thru, pick-up, or delivery options;
- d. Avoiding discretionary travel and social visits;
- e. Avoiding discretionary visits to nursing homes, retirement homes, or long-term care facilities;
- f. Avoiding close contact with people who are sick, and distancing oneself from others, especially those who are at higher risk of getting sick, including in particular older adults and persons with serious chronic medical conditions; and

g. Practicing good personal hygiene, including washing hands, especially after touching any frequently used item or surface, avoiding touching the face, and disinfecting frequently used items and surfaces as much as possible; and

WHEREAS, consistent with this guidance, Tennesseans, businesses, places of worship, and governmental and nongovernmental entities and organizations of all types are making sacrifices to limit the spread of COVID-19, and the provisions of this Order are designed to support such sensible and compassionate efforts, which will protect Tennesseans and allow normal activities to resume sooner; and

WHEREAS, restaurants have been uniquely damaged by the COVID-19 outbreak, and it is important to provide them and the many Tennesseans they employ with tools to weather these unique circumstances and continue serving customers in an innovative, safe way; and

WHEREAS, Tennesseans are encouraged to continue to engage in the healthy and essential activities of daily life, including supporting local businesses and their employees while adhering to the health and safety measures set forth in this Order, so that we will safeguard to the greatest extent possible the economic well-being of so many Tennesseans whose lives and work have been disrupted by the COVID-19 outbreak and ensure that Tennessee is best positioned to recover following this outbreak; and

WHEREAS, in addition to the other emergency management powers granted by law, Tennessee Code Annotated, Section 58-2-107(e), provides that during a state of emergency, the Governor is authorized to suspend laws and rules regarding the conduct of state business if necessary to cope with the emergency, order evacuations from certain areas, make orders concerning entry and exit and the occupancy of premises within an emergency area, and take measures concerning the conduct of civilians and the calling of public meetings and gatherings, among other things; and

WHEREAS, the temporary suspension of selected state laws and rules and the other measures contained herein are necessary to facilitate the response to the current emergency.

NOW THEREFORE, I, Bill Lee, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Tennessee Constitution and other applicable law, in light of the continuing state of emergency to facilitate the response to COVID-19, do hereby order the following statewide:

1. In accordance with the President's Coronavirus Guidelines for America and the guidance from the CDC, to limit the spread of COVID-19 so that normal life and activities may resume as soon as possible:
 - a. Persons in the State of Tennessee shall not participate in social gatherings of ten (10) or more people.
 - b. Persons in the State of Tennessee shall not eat or drink onsite at restaurants, bars, or other similar food or drink establishments, and


shall not visit gyms or fitness/exercise centers or substantially similar facilities.

- c. Restaurants, bars, and similar food or drink establishments, including nightclubs, shall not be open to persons, except only to offer drive-through, pickup, carry-out, or delivery service for food or drink, and persons are highly encouraged to use such drive-through, pickup, carry-out, or delivery options to support such businesses during this emergency.
 - d. Gyms or fitness/exercise centers or substantially similar facilities shall not be open to members or the public, although persons are highly encouraged to use any available electronic or virtual fitness options to support such businesses during this emergency.
 - e. Persons in the State of Tennessee shall not visit nursing homes, retirement homes, or long-term care or assisted-living facilities, unless to provide essential assistance or to visit residents receiving imminent end-of-life care, provided such visits may be accomplished without unreasonable risk to other residents. Persons are highly encouraged to use available electronic or virtual communication to spend time with their family members, friends, loved ones, and other persons in those facilities.
 - f. Persons and businesses should take particular care to protect the well-being of those populations especially vulnerable to COVID-19, including older adults and persons with compromised immune systems or serious chronic medical conditions, by, among other things, taking care to adhere to all precautions advised by the President and the CDC and refraining to the extent practicable from physical contact and association. Businesses should further consider implementing measures to protect our most vulnerable populations by, for example, offering delivery service or special opportunities for members of vulnerable populations to shop in retail establishments exclusive of the general population.
2. This Order does not mandate sheltering in place and does not prohibit persons from visiting places necessary to maintain health and economic well-being, including grocery stores, gas stations, parks, and banks, among other places, so long as they observe the necessary precautions advised by the President and the CDC to reduce the spread of COVID-19.
 3. All critical infrastructure remains operational, and government entities and businesses will continue providing important and essential services.

4. For offices, workplaces, and businesses that remain open, employees should work from home where feasible, and employees and their customers should practice good hygiene and observe the necessary precautions advised by the President and the CDC to reduce the spread of COVID-19.
5. The provisions of Tennessee Code Annotated, Title 57, and related rules and other state or local laws, orders, rules, or regulations are temporarily suspended to the extent necessary to allow restaurants and limited service restaurants, as defined in Tennessee Code Annotated, Section 57-4-102, and wine-only restaurants, as permitted by Tennessee Code Annotated, Section 57-4-101(c), to sell for take-out or delivery alcoholic beverages or beer, so long as the following conditions are met:
 - a. Any sale of an alcoholic beverage or beer is for consumption off of the premises of the restaurant, limited service restaurant, or wine-only restaurant (collectively referred to hereafter as "restaurant") and is accompanied by the sale of food in the same order;
 - b. An alcoholic beverage or beer sold under this Paragraph 5 must be packaged in a container or bottle with a secure lid or cap and in a manner designed to prevent consumption without removal of the lid or cap, and customers shall not remove such lids or caps while operating a motor vehicle;
 - c. Single servings of alcoholic beverages or beer and multi-serving bottles or containers of beer or wine normally sold by the restaurant may be sold under this Paragraph 5, but not bottles of spirits or liquor;
 - d. A restaurant selling alcoholic beverages or beer under this Paragraph 5 shall prominently post a warning in a manner reasonably calculated to provide notice to customers of open container laws, which must include the following language from Tennessee Code Annotated, Section 55-10-416: "No driver shall consume any alcoholic beverage or beer or possess an open container of alcoholic beverage or beer while operating a motor vehicle in this state.";
 - e. An employee or contractor of a restaurant providing or delivering alcoholic beverages or beer to a customer under this Paragraph 5 shall not provide or deliver such beverages to any person under twenty-one (21) years of age and may not provide or deliver such beverages to a person who is visibly intoxicated. Any such employee providing or delivering alcoholic beverages or beer must visually inspect a valid government-issued document deemed acceptable to the restaurant that includes the photograph and birth date of the adult consumer attempting to make an alcoholic beverage purchase and confirms that the person is at least twenty-one (21) years of age;

- f. A person delivering alcoholic beverages or beer under this Paragraph 5 must be at least twenty-one (21) years of age and must have a valid driver license; and
 - g. An alcoholic beverage or beer sold under this Paragraph 5 must be sold during current operating hours.
6. Any state or local law, order, rule, or regulation inconsistent with this Order is hereby suspended.
7. This Order shall be effective and enforceable at 12:01 a.m., Central Daylight Time, on March 23, 2020, and shall remain in effect until 12:01 a.m., Central Daylight Time, on April 6, 2020, at which time the suspension of any state laws and rules and the other provisions of this Order shall cease and be of no further force or effect.

IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 22nd day of March, 2020.

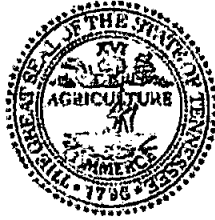

GOVERNOR

ATTEST:


SECRETARY OF STATE



Exhibit 3



STATE OF TENNESSEE
EXECUTIVE ORDER
BY THE GOVERNOR

No. 21

**AN ORDER AMENDING EXECUTIVE ORDER NO. 17 TO FURTHER
MITIGATE THE SPREAD OF COVID-19 BY LIMITING NON-ESSENTIAL SERVICES
AND GATHERINGS**

WHEREAS, on March 22, 2020, I issued Executive Order No. 17, which prohibited social gatherings of 10 or more people, directed restaurants, bars, and similar food and drink establishments to offer take-out or delivery options only, directed gyms and fitness/exercise centers to temporarily close and suspend in-person services, and restricted visitation in nursing homes, retirement homes, and long-term care or assisted-living facilities; and

WHEREAS, taking further measures to limit the opportunities for community spread is necessary to contain COVID-19; and

WHEREAS, expanding Executive Order No. 17 to cover similar services and venues is necessary to minimize the continued spread of COVID-19; and

WHEREAS, in addition to the other emergency management powers granted by law, Tennessee Code Annotated, Section 58-2-107(e), provides that during a state of emergency, the Governor is authorized to suspend laws and rules regarding the conduct of state business if necessary to cope with the emergency, order evacuations from certain areas, make orders concerning entry and exit and the occupancy of premises within an emergency area, and take measures concerning the conduct of civilians and the calling of public meetings and gatherings, among other things; and

WHEREAS, the temporary suspension of selected state laws and rules and the other measures contained herein are necessary to facilitate the response to the current emergency.

NOW THEREFORE, I, Bill Lee, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Tennessee Constitution and other applicable law, do hereby declare that a state of emergency continues to exist in Tennessee and order the following:

Effective immediately, Executive Order No. 17, dated March 22, 2020, is amended by adding the following new subdivisions g. and h. to Paragraph 1:

- g. Businesses or organizations that perform close-contact personal services shall not be open to members or the public. Such businesses or organizations include, but are not limited to:
 - i. Barber shops;
 - ii. Hair salons;
 - iii. Waxing salons;
 - iv. Threading salons;
 - v. Nail salons or spas;
 - vi. Spas providing body treatments;
 - vii. Body-art facilities or tattoo services;
 - viii. Tanning salons; or
 - ix. Massage-therapy establishments or massage services.

- h. Entertainment and recreational gathering venues shall not be open to members or the public. Such venues include, but are not limited to:
 - i. Night clubs;
 - ii. Bowling alleys;
 - iii. Arcades;
 - iv. Concert venues;
 - v. Theaters, auditoriums, performing arts centers, or similar facilities;
 - vi. Racetracks;
 - vii. Indoor children's play areas;
 - viii. Adult entertainment venues;
 - ix. Amusement parks; or
 - x. Roller or iceskating rinks.

Effective immediately, Paragraph No. 7 of Executive Order No. 17, dated March 22, 2020, is hereby deleted and the following language is substituted instead:

- 7. This Order shall be effective and enforceable at 12:01 a.m., Central Daylight Time, on March 23, 2020, and shall remain in effect until 11:59 p.m., Central Daylight Time, on April 14, 2020, at which time the suspension of any state laws and rules and the other provisions of this Order shall cease and be of no further force or effect.

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IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 30th day of March, 2020.

Bill Lee

GOVERNOR

ATTEST:

Joe Rye

SECRETARY OF STATE



Exhibit 4



STATE OF TENNESSEE
EXECUTIVE ORDER
BY THE GOVERNOR

No. 27

AN ORDER EXTENDING TEMPORARY SOCIAL DISTANCING AND STAY-AT-HOME PROVISIONS OF EXECUTIVE ORDER NOS. 17, 21, 22, AND 23 UNTIL APRIL 30, 2020, TO PRESERVE AND INCREASE THE CONTAINMENT OF COVID-

19

WHEREAS, on March 22, 2020, I issued Executive Order No. 17, which prohibited social gatherings of 10 or more people, directed restaurants, bars, and similar food and drink establishments to offer take-out or delivery options only, directed gyms and fitness/exercise centers to temporarily close and suspend in-person services, and restricted visitation in nursing homes, retirement homes, and long-term care or assisted-living facilities, and on March 30, 2020, I issued Executive Order No. 21, which expanded Executive Order No. 17 to close-contact personal services and entertainment and recreational gathering venues and extended Executive Order No. 17's provisions through April 14, 2020; and

WHEREAS, on March 30, 2020, I issued Executive Order No. 22, which, as amended by Executive Order No. 23, requires that all persons in Tennessee stay at home unless engaging in essential activity or essential services; and

WHEREAS, Tennesseans, businesses, places of worship, and governmental and nongovernmental entities and organizations of all types deserve tremendous credit for making sacrifices and doing their part in recent weeks by staying at home to limit the spread of COVID-19 and protect those in their community, and the numbers of COVID-19 cases and hospitalizations in Tennessee are not increasing as fast as previously feared; and

WHEREAS, Executive Order Nos. 17, 21, 22, and 23 currently expire on April 14, 2020, and continued vigilance is required to cement the positive trends occurring in Tennessee; and

WHEREAS, in addition to the other emergency management powers granted by law, Tennessee Code Annotated, Section 58-2-107(e), provides that during a state of emergency, the Governor is authorized to suspend laws and rules regarding the conduct of state business if necessary to cope with the emergency, order evacuations from certain areas, make orders

concerning entry and exit and the occupancy of premises within an emergency area, and take measures concerning the conduct of civilians and the calling of public meetings and gatherings, among other things; and

WHEREAS, the temporary suspension of selected state laws and rules and the other measures contained herein are necessary to facilitate the response to the current emergency.

NOW THEREFORE, I, Bill Lee, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Tennessee Constitution and other applicable law, do hereby declare that a state of emergency continues to exist in Tennessee, and order the extension of the provisions of Executive Order Nos. 17, 21, 22, and 23 until 11:59 p.m., Central Daylight Time, on April 30, 2020, and, to implement this extension, more specifically order the following:

Effective immediately, Paragraph No. 7 of Executive Order No. 17, dated March 22, 2020, is hereby deleted and the following language is substituted instead:

7. This Order shall be effective and enforceable at 12:01 a.m., Central Daylight Time, on March 23, 2020, and shall remain in effect until 11:59 p.m., Central Daylight Time, on April 30, 2020, at which time the suspension of any state laws and rules and the other provisions of this Order shall cease and be of no further force or effect.

Effective immediately, Paragraph No. 15 of Executive Order No. 22, dated March 30, 2020, is hereby deleted and the following language is substituted instead:

15. Term and effective date. This Order shall be effective and enforceable at 11:59 p.m., Central Daylight Time, on March 31, 2020, and shall remain in effect until 11:59 p.m., Central Daylight Time, on April 30, 2020, at which time the suspension of any state laws and rules and the other provisions of this Order shall cease and be of no further force or effect.

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IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 13th day of April, 2020.


GOVERNOR

ATTEST:


SECRETARY OF STATE



Exhibit 5



STATE OF TENNESSEE
EXECUTIVE ORDER
BY THE GOVERNOR

No. 29

**AN ORDER AMENDING EXECUTIVE ORDER NO. 17
TO REOPEN DINING IN RESTAURANTS**

WHEREAS, on March 22, 2020, I issued Executive Order No. 17, which directed restaurants and similar food and drink establishments to offer take-out or delivery options only; and

WHEREAS, the efforts and sacrifices of Tennesseans, businesses, places of worship, and governmental and nongovernmental entities and organizations of all types in accordance with these measures have flattened, and continue to flatten, the COVID-19 curve in Tennessee; and

WHEREAS, though the measures taken to reduce the spread of COVID-19 have been and are necessary and invaluable in preserving the health and lives of Tennesseans, they have also damaged many businesses and livelihoods, with over 400,000 unemployment claims filed since March 1, 2020, and it is essential to their health and welfare to allow Tennesseans to return to work so long as progress in slowing COVID-19 makes it safe to do so; and

WHEREAS, because of the recent reduction in the spread of COVID-19 in Tennessee, it is now appropriate to allow more Tennesseans to return to work to support their families and communities, subject to guidelines for safe operation of businesses, trusting and expecting Tennesseans to continue to limit activity and follow the health and safety practices that have resulted in this progress; and

WHEREAS, in addition to the other emergency management powers granted by law, Tennessee Code Annotated, Section 58-2-107(e), provides that during a state of emergency, the Governor is authorized to suspend laws and rules regarding the conduct of state business if necessary to cope with the emergency, order evacuations from certain areas, make orders concerning entry and exit and the occupancy of premises within an emergency area, and take measures concerning the conduct of civilians and the calling of public meetings and gatherings, among other things; and

WHEREAS, the temporary suspension of selected state laws and rules and the other measures contained herein are necessary to facilitate the response to the current emergency.


NOW THEREFORE, I, Bill Lee, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Tennessee Constitution and other applicable law, do hereby declare that a state of emergency continues to exist in Tennessee and order the following:

1. Reopening of restaurants for on-site dining. Effective at 12:01 a.m., Central Daylight Time, on April 27, 2020, Executive Order No. 17, dated March 22, 2020, as extended by Executive Order No. 21, dated March 30, 2020, and Executive Order No. 27, dated April 13, 2020, is amended by:
 - a. Deleting in Paragraph 1b. the language “shall not eat or drink onsite at restaurants, bars, or other similar food or drink establishments” and substituting instead “shall not eat or drink onsite at limited service restaurants, as defined in Tennessee Code Annotated, Section 57-4-102(22), bars, nightclubs, and similar establishments”; and
 - b. Deleting in Paragraph 1c. the language “Restaurants, bars, and similar food or drink establishments, including nightclubs,” and substituting instead “Limited service restaurants, as defined in Tennessee Code Annotated, Section 57-4-102(22), bars, nightclubs, and similar establishments”
2. ERG Guidelines. Restaurants are expected to operate in accordance with, and to fulfill the spirit of, applicable operational guidance and measures adopted and/or issued by the Governor’s Economic Recovery Group (ERG), which are available at the following web address and may be periodically updated: <https://www.tn.gov/governor/covid-19/economic-recovery.html>. If a restaurant does not operate in a safe manner, or if health outcomes demonstrate that a particular business or industry sector is unable to be operated in a sufficiently safe manner, the Governor and/or other applicable state official(s) may issue additional health and safety orders as may be appropriate under the circumstances.
3. Take-out and delivery alcohol sales by restaurants remain permitted. To encourage carryout or delivery orders while restaurant capacity must be reduced, Paragraph 5 of Executive Order No. 17, issued March 22, 2020, allowing restaurants to sell for take-out or delivery alcoholic beverages or beer is not affected by this Order and remains permitted.
4. Suspension of laws that would limit application of this Order. Any law, order, rule, or regulation that would otherwise limit the enforceability of this Order is hereby suspended, pursuant to Tennessee Code Annotated, Section 58-2-107, including any provisions of Executive Order No. 22 that would limit the effectiveness of this Order.
5. Local orders. This Order shall supersede and preempt any emergency order, health order, or other order issued by a local official or local governmental entity addressing or otherwise related to COVID-19; provided, that the six locally run county health departments in Davidson, Hamilton, Knox, Madison, Shelby, or Sullivan Counties shall have the authority

to maintain any existing order or issue further restrictions regarding the operation of restaurants for the purposes of containment or management of the spread of COVID-19.

6. Effect of this Order. Subject to the expectation that restaurants will operate within ERG Guidelines, the effect of this Order is that on-site dining at restaurants will no longer be prohibited in Tennessee, unless a locally run county health department in Davidson, Hamilton, Knox, Madison, Shelby, or Sullivan Counties independently prohibits or otherwise regulates the opening, closing, or operation of restaurants within its respective county. Pursuant to prior Executive Order Nos. 17, 21, and 27, bars, nightclubs, and limited service restaurants shall continue to be closed to persons for the purposes of eating or drinking on-site.
7. Severability. If any provision of this Order or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Order which can be given effect without the invalid provision or application, and to that end the provisions of this Order are declared to be severable.

IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 24th day of April, 2020.


GOVERNOR

ATTEST:


SECRETARY OF STATE

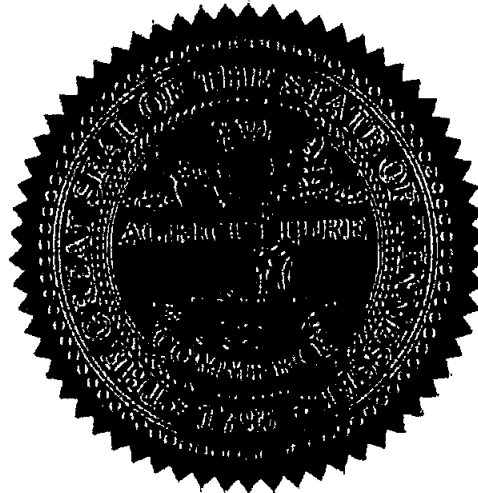


Exhibit 6



STATE OF TENNESSEE
EXECUTIVE ORDER
BY THE GOVERNOR

No. 38

AN ORDER EXPANDING THE NUMBER OF TENNESSEANS WHO MAY RETURN TO WORK SAFELY WHILE URGING CONTINUED ADHERENCE TO HEALTH AND SOCIAL DISTANCING GUIDELINES TO LIMIT THE SPREAD OF COVID-19

WHEREAS, in recent months, local, state, and federal officials have taken numerous actions to limit the spread of Coronavirus Disease 2019 (COVID-19); and

WHEREAS, between March 22, 2020, and April 2, 2020, I issued executive orders directing that Tennesseans stay at home unless engaging in essential activity or essential services, prohibiting large social gatherings, and limiting the operation or visitation of certain businesses and venues, in accordance with guidelines issued by President Trump and the Centers for Disease Control and Prevention (CDC); and

WHEREAS, because of the progress made in flattening the COVID-19 curve in Tennessee, the enormous damage suffered by many businesses and individuals as a result of COVID-19, and the importance of encouraging Tennesseans to return to work to support their families and communities in a safe way, between April 28, 2020, and May 8, 2020, I issued executive orders encouraging many Tennesseans to return to work, and the Governor's Economic Recovery Group issued numerous sets of guidelines for the safe operation of a variety of types of businesses; and

WHEREAS, our progress in reopening Tennessee while limiting the spread of COVID-19 has continued, as many Tennesseans have returned to work, more guidance has been developed regarding how businesses can keep their employees and customers safe, hospitalization rates continue to be stable, our mortality rates remain lower than national averages, and testing capacity continues to increase across the state; and

WHEREAS, as a result of this continued progress in mitigating the spread of COVID-19 in Tennessee, it is appropriate to encourage more Tennesseans to return to work to support their families and communities while trusting and expecting them to continue to limit non-essential activity and follow the practices that have resulted in this progress (the "Health Guidelines"), including:

For individuals:

- a. Maintaining at least six (6) feet of distance from other persons;
- b. Practicing good personal hygiene and observing other CDC recommendations;
- c. Remaining at home if you feel sick;
- d. Working from home whenever possible;
- e. Avoiding discretionary travel and large gatherings; and
- f. Avoiding visitation or close contact with vulnerable persons or those who are sick; and

For employers:

- a. Implementing appropriate policies and practices in accordance with state and federal guidance to facilitate social distancing, temperature checks, sanitation, use and disinfection of common areas, and reduced business travel;
- b. Monitoring employees for symptoms and prohibiting employees with symptoms from returning to work until cleared by a medical provider; and
- c. Cooperate with governmental contact tracing procedures for employees or customers who test positive for COVID-19; and

WHEREAS, the threat from COVID-19 remains very serious, and with this increased ability to return to work comes increased personal responsibility on the part of each Tennessean to protect themselves and others by following the Health Guidelines to slow the spread of this virus, and therefore, all Tennesseans are strongly urged to continue to diligently follow the Health Guidelines at all times; and

WHEREAS, in addition to the other emergency management powers granted by law, Tennessee Code Annotated, Section 58-2-107(e), provides that during a state of emergency, the Governor is authorized to suspend laws and rules regarding the conduct of state business if necessary to cope with the emergency, order evacuations from certain areas, make orders concerning entry and exit and the occupancy of premises within an emergency area, and take measures concerning the conduct of civilians and the calling of public meetings and gatherings, among other things; and

WHEREAS, the temporary suspension of selected state laws and rules and the other measures contained herein are necessary to facilitate the response to the current emergency.

NOW THEREFORE, I, Bill Lee, Governor of the State of Tennessee, by virtue of the power and authority vested in me by the Tennessee Constitution and other applicable law, to keep the citizens of the State of Tennessee safe and healthy, do hereby declare a continuing state of emergency to facilitate the response to COVID-19 and order the following statewide:

1. Return to work. Persons, businesses, and organizations are encouraged to return to work consistent with the provisions of this Order and while following to the greatest

extent practicable the Health Guidelines and the operational guidance issued by the Governor's Economic Recovery Group (e.g., Tennessee Pledge).

- a. Health Guidelines. All employers and businesses are strongly urged to take all practicable steps to equip, encourage, allow, or require and permit employees to work remotely or via telework from home, and employees and their customers should practice good hygiene and observe the Health Guidelines to reduce the spread of COVID-19 to the greatest extent practicable.
- b. ERG Guidelines. All venues, employers, and businesses are expected to operate in accordance with, and to fulfill the spirit of, applicable operational guidance issued by the Governor's Economic Recovery Group (e.g., Tennessee Pledge), which are available at the following web address and may be periodically updated: <https://www.tn.gov/governor/covid-19/economic-recovery.html>. Generally applicable guidelines and industry-specific guidelines for certain industries have been and will continue to be released by the ERG. If an employer, business, or industry does not operate in a safe manner, or if health outcomes demonstrate that a particular business or industry sector is unable to be operated in a sufficiently safe manner, the Governor and/or other applicable state official(s) may issue additional health and safety orders as may be appropriate under the circumstances.

2. Social distancing remains imperative.

- a. CDC guidance states that "COVID-19 is thought to spread mainly through close contact from person-to-person", and therefore every person is strongly urged to maintain at least six (6) feet of separation from persons outside their household to the greatest extent practicable.
- b. To ensure appropriate social distancing for the purposes of social or recreational gatherings, including, but not limited to, festivals, fairs, parades, large parties or picnics, sporting events and activities (in accordance with Paragraph 2.c. and 2.d.), summer youth camps, and other types of social or recreational assemblies or gatherings, persons in the State of Tennessee should to the greatest extent practicable maintain at least six (6) feet of separation from persons outside their household, and shall not in any event be in a group of fifty (50) or more persons for the purposes of social or recreational activities or events; provided, that this limitation does not necessarily prohibit fifty (50) or more total persons from gathering in a single place or venue for an activity or event if they are in separate, otherwise permissible smaller groups that substantially maintain six (6) feet or more of separation from other persons or separate groups. For example, under this Paragraph 2, more than fifty (50) persons may sit in a set of bleachers and watch an event provided that persons or multiple smaller

groups of persons are spread out from one another and maintain at least six (6) feet of separation from other groups or persons.

- c. Contact sporting events and activities are prohibited under this Order; provided, that collegiate and professional sporting events and activities may be conducted if permitted by, and pursuant to, the rules or guidelines of their respective governing bodies. Noncontact sporting events and activities, and spectating for such events and activities, are permissible subject to applicable social distancing provided for herein.
- d. For purposes of this Paragraph 2:
 - i. “Contact sporting events and activities” are sports for which there is a requirement or substantial likelihood of routine, sustained close proximity or physical contact between participants. For example, some sports, such as wrestling are scored by impacting an opponent, while others, including football or rugby, require tackling of players. Others like basketball, soccer, lacrosse, rugby, ice and field hockey, rowing, mixed martial arts, wrestling, boxing, and other combat sports involve participants being in close, sustained proximity and likelihood of physical contact. “Contact sporting events and activities” does not include training or otherwise engaging in elements or aspects of such sports or activities in a manner that do not involve close contact with other persons; and
 - ii. “Noncontact sporting events and activities” means sports that can be conducted while substantially maintaining appropriate social distancing, and that involve at most only close contact or proximity between participants that is incidental to the activity. Such sports include, but are not limited to, baseball, softball, volleyball, golf, disc golf, tennis and other racket sports, cycling, swimming, track and field and running events, and equestrian.
- e. Further operational guidance from the Governor’s Economic Recovery Group (e.g., Tennessee Pledge) regarding youth sporting events and summer youth camps is forthcoming.

- 3. Places of worship, weddings, and funerals. Worship services, weddings, funerals, and events related thereto are not social or recreational gatherings under Paragraph 2. Nevertheless, places of worship are strongly encouraged to continue to utilize virtual or online services and gatherings and strongly encouraged to follow the Guidance for Gathering Together in Houses of Worship issued by the Governor’s Office of Faith-Based and Community Initiatives regarding in-person services that can be conducted safely. Likewise, persons at weddings and funerals are strongly encouraged to follow the Health Guidelines and maintain appropriate social distancing as provided for herein to the greatest extent practicable, although it is

further strongly encouraged that any large public celebration component of weddings and funerals be postponed or attended only by close family members.

4. Staying at home when possible and limiting unnecessary activity still critically important to maintaining a healthy and economically vibrant Tennessee.
 - a. Most Tennesseans can return to work under this Order; however, the threat of COVID-19 remains very serious. Because avoiding unnecessary public interactions is critical to protecting the health and safety of Tennesseans by limiting the spread of COVID-19, preserving health care resources, and sustaining the improved conditions that allow vital economic activity to resume in Tennessee, all persons are still strongly encouraged to continue to stay at home and to minimize in-person contact with people not in the same household, except when engaging in critical activities such as employment or occupational activities, activities integral to health and safety, obtaining supplies or services, engaging in permitted outdoor activity, caring for or visiting family or friends, visiting a place of worship, or travel associated with such activity.
 - b. All persons are strongly encouraged, among other things, to use thoughtful planning, careful coordination, and consideration of others to minimize the need and frequency for public interactions.
 - c. All persons have a civic responsibility to protect themselves and their communities by following the Health Guidelines to the greatest extent practicable when outside their homes.
5. Persons are urged to wear face coverings in public places. In accordance with CDC guidance, persons, including employees or customers of businesses, are strongly urged to wear cloth face coverings or other similar coverings in public settings where being in close proximity to others is anticipated, and particularly where other social distancing measures are difficult to maintain at all times. Such cloth face coverings can be created from household items or made at home from common materials at low cost. Cloth face coverings should not be placed on young children under age 2, anyone who has trouble breathing, or anyone who is incapacitated or otherwise unable to remove the mask without assistance. Surgical masks and N-95 respirators should be reserved for health care workers and first responders.
6. Elderly-citizen and care-related facilities closed to visitors in most cases.
 - a. Persons are highly encouraged to use available electronic or virtual communication options to spend time with a family member, friend, fellow resident, loved one, or other person (“Resident”) in a nursing home, retirement home, long-term care facility, or assisted-living facility (“Facility” or “Facilities”). Persons shall not visit a Resident in a Facility unless:

- i. The Facility determines in its judgment that: (1) the visit involves the provision of critical assistance to a Resident; or (2) the visit is to a Resident receiving end-of-life care; and
- ii. The Facility determines in its judgment that the visit may be accomplished without unreasonable risk to other residents or staff.

In making such determinations, the Facility may seek the professional medical opinion of the Resident's treating physician or other healthcare providers involved in the Resident's care, as well as the Facility's medical director, as applicable, on a case-by-case basis. Facilities should also ensure that any Resident with disabilities is afforded visitation, as needed, by ancillary service providers (sign-language interpreters, behavioral health support personnel, etc.), or other visitation essential to care decisions or daily functioning, in order to maintain open lines of communication and continuation of needed services in light of individual Resident needs.

Facilities should continue to screen any permitted visitors to reduce the risk of infection among Residents and Facility personnel.

- b. Facilities shall at all times follow the Health Guidelines and any other infection control rules, policies, or guidance set forth by the Department of Health or other applicable state and federal agencies or departments.
 - c. Facilities shall take reasonable steps to minimize the movement of staff to more than one Facility location whenever possible.
 - d. Senior centers or equivalent facilities shall continue to be closed to members, customers, or the public.
7. Testing of residents and staff at long-term-care facilities. Administrators of nursing homes, assisted-care living facilities, and residential homes for the aged, as defined in Tennessee Code Annotated, Section 68-11-201, are strongly urged to provide COVID-19 testing for all residents and staff members across the state. Administrators are further urged to complete or take substantial steps toward completing this testing by May 31, 2020. An administrator may request financial and operational support for this testing from the Department of Health and the Tennessee National Guard by contacting the Department of Health. Cases of communicable and reportable diseases must continue to be reported to the Department of Health and county health departments as required by law.
8. Special care should be taken to protect vulnerable populations. Persons and businesses should take particular care to protect the well-being of those populations especially vulnerable to COVID-19, including older adults and persons with compromised immune systems or severe underlying medical conditions, by, among other things, taking care to adhere to all precautions advised by the President and the CDC and refraining to the extent practicable from physical contact and

association. Businesses should further consider implementing measures to protect our most vulnerable populations by, for example, offering delivery service or special opportunities for members of vulnerable populations to shop in retail establishments exclusive of the general population.

9. Persons with COVID-19 or COVID-19 symptoms must stay at home. In accordance with CDC guidance, persons who test positive for COVID-19 or who are suffering from COVID-19 symptoms shall stay at home, except to receive medical care, until satisfying the conditions for discontinuing home isolation, which the CDC has set forth at the following web address: <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/steps-when-sick.html>.
10. Employers shall not require or allow employees with COVID-19 to work. An employer, through its supervisors or appropriate management personnel, shall not require or allow an employee who the employer knows has tested positive for COVID-19 to report to work until that employee has satisfied the conditions for discontinuing home isolation under CDC guidelines, which are available at the following web address: <https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/steps-when-sick.html>.
11. Limited service restaurants. Bars, night clubs, and limited service restaurants, as defined in Tennessee Code Annotated, Section 57-4-102(22), may only serve customers seated at tables and must follow the Economic Recovery Group Guidelines (e.g., Tennessee Pledge) for restaurants in doing so, including appropriately spacing apart tables, which are set forth at the following web address: <https://www.in.gov/governor/covid-19/economic-recovery/restaurant-guidelines.html>; and further provided, that such establishments may offer drive-through, pickup, carry-out, or delivery service for food or drink, and persons are highly encouraged to use such drive-through, pickup, carry-out, or delivery options to support such businesses during this emergency.
12. Take-out alcohol sales by restaurants and limited-service restaurants to continue in order to encourage carryout or delivery orders. The provisions of Tennessee Code Annotated, Title 57, and related rules and other state or local laws, orders, rules, or regulations are temporarily suspended to the extent necessary to allow restaurants and limited service restaurants, as defined in Tennessee Code Annotated, Section 57-4-102, and wine-only restaurants, as permitted by Tennessee Code Annotated, Section 57-4-101(c), to sell for take-out or delivery alcoholic beverages or beer, so long as the following conditions are met:
 - a. Any sale of an alcoholic beverage or beer is for consumption off of the premises of the restaurant, limited service restaurant, or wine-only restaurant (collectively referred to hereafter as “restaurant”) and is accompanied by the sale of food in the same order;

- b. An alcoholic beverage or beer sold under this Paragraph 12 must be packaged in a container or bottle with a secure lid or cap and in a manner designed to prevent consumption without removal of the lid or cap, and customers shall not remove such lids or caps while operating a motor vehicle;
- c. Single servings of alcoholic beverages or beer and multi-serving bottles or containers of beer or wine normally sold by the restaurant may be sold under this Paragraph 12, but not bottles of spirits or liquor;
- d. A restaurant selling alcoholic beverages or beer under this Paragraph 12 shall prominently post a warning in a manner reasonably calculated to provide notice to customers of open container laws, which must include the following language from Tennessee Code Annotated, Section 55-10-416: "No driver shall consume any alcoholic beverage or beer or possess an open container of alcoholic beverage or beer while operating a motor vehicle in this state.";
- e. An employee or contractor of a restaurant providing or delivering alcoholic beverages or beer to a customer under this Paragraph 12 shall not provide or deliver such beverages to any person under twenty-one (21) years of age and may not provide or deliver such beverages to a person who is visibly intoxicated. Any such employee providing or delivering alcoholic beverages or beer must visually inspect a valid government-issued document deemed acceptable to the restaurant that includes the photograph and birth date of the adult consumer attempting to make an alcoholic beverage purchase and confirms that the person is at least twenty-one (21) years of age;
- f. A person delivering alcoholic beverages or beer under this Paragraph 12 must be at least twenty-one (21) years of age and must have a valid driver license; and
- g. An alcoholic beverage or beer sold under this Paragraph 12 must be sold during current operating hours.

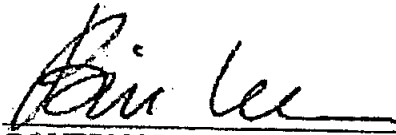
13. Local orders.

- a. No local orders permitted regarding dental or medical procedures. In order to ensure a comprehensive approach to the measures needed to conserve personal protective equipment, which is an issue that is statewide in scale, no local official or local governmental entity shall issue an order or measure regarding the provision of medical, dental, or oral procedures because of COVID-19 absent authority delegated by the Governor.

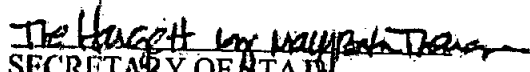
- b. Local orders in 89 counties without a locally run county health department (all counties except for Davidson, Hamilton, Knox, Madison, Shelby, and Sullivan). The provisions of this Order shall exclusively govern on the subjects they concern in the 89 counties that do not have a locally run county health department, and this Order shall supersede and preempt any emergency order, health order, or other order issued by a local official or local governmental entity that contravenes or would limit the application of the provisions of this Order.
 - c. Local orders in six counties with a locally run county health department (Davidson, Hamilton, Knox, Madison, Shelby, and Sullivan). The six locally run county health departments in Davidson, Hamilton, Knox, Madison, Shelby, and Sullivan counties shall have authority to issue additional orders or measures related to the containment or management of the spread of COVID-19, which may permit to a greater degree, or restrict to a greater degree, the opening, closure, or operation of businesses, organizations, or venues in those counties or the gathering of persons; provided that no local official or local governmental entity shall issue an order or measure regarding places of worship or an order or measure that contravenes Paragraphs 6, 9, or 10. This Order shall govern on all subjects it concerns, except to the extent that the locally run county health department has issued differing local orders or measures regarding the opening, closure, or operation of businesses, organizations, or venues or the gathering of persons as provided for in this Paragraph 13.
 - d. Local orders of a proprietary nature. Nothing in this Order shall affect or limit local orders that do not contravene or limit the application of the provisions of this Order, such as orders or measures in which a local governmental entity acts in a proprietary capacity—for example, with respect to the opening or closure of governmental buildings, employee measures, or government operations.
14. Suspension of laws that would limit application of this Order. Any law, order, rule, or regulation that would otherwise limit the enforceability of this Order is hereby suspended, pursuant to Tennessee Code Annotated, Section 58-2-107.
15. Executive Order Nos. 30, 33, and 35. This Order supersedes and repeals the following executive orders: Executive Order No. 30, dated April 28, 2020; Executive Order No. 33, dated May 5, 2020; and Executive Order No. 35, dated May 7, 2020.
16. Severability. If any provision of this Order or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this Order which can be given effect without the invalid provision or application, and to that end the provisions of this Order are declared to be severable.

17. Term and effective date. This Order shall be effective and enforceable as of 12:01 a.m., Central Daylight Time, on May 22, 2020, and shall remain in effect until 11:59 p.m., Central Daylight Time, on June 30, 2020.

IN WITNESS WHEREOF, I have subscribed my signature and caused the Great Seal of the State of Tennessee to be affixed this 22nd day of May, 2020.


GOVERNOR

ATTEST:


SECRETARY OF STATE

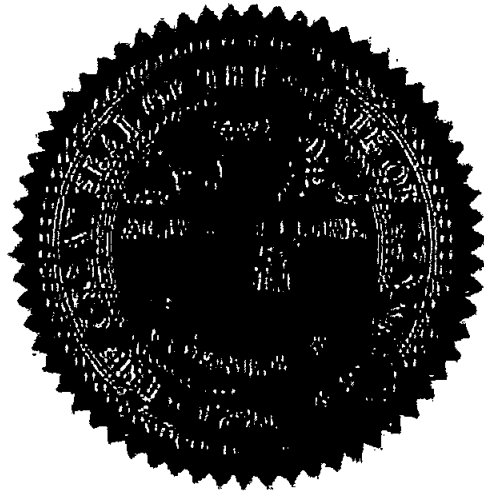


Exhibit 7



CLAIM DEPARTMENT: P.O. BOX 3961 • PEORIA, IL 61612-3961
UPS/FEDEX: 9025 N. LINDBERGH DR • PEORIA, IL 61615-1431
P 800-444-0406
F 866-692-6796
RLICORP.COM



May 15, 2020

*Certified Mail 92148969009997901633648765 Return Receipt Requested
and email: Aliciacasale@rioht.com*

Alicia Casale
Whiskey Row Nashville LLC
Dba: Dierks Bentley's Whiskey Row Nashville, TN
7525 E Camelback Rd., Suite 100
Scottsdale, AZ 85251

Re: Insured: Whiskey Row Nashville LLC
Insurer: Mt. Hawley Insurance Company
Policy No.: MCP0168865
Claim No.: 00483076
Date of Loss: Reported as 03/17/2020
Type of Loss: Business Income Loss (COVID-19)
Loss location: 400 Broadway, Nashville, TN 37203

Dear Ms. Casale,

We are writing in regards to the above captioned claim. Mt. Hawley Insurance Company (hereinafter "Mt. Hawley"), received a claim from Whiskey Row Nashville LLC for loss of business income associated with Coronavirus ("COVID-19"). This claim has been reported under a Commercial Property Coverage Form MCP0168865 with effective dates of December 14, 2019 to December 14, 2020. The date of loss was reported as March 17, 2020 and the claim was reported to us on April 9, 2020.

As part of our investigation, we spoke with you over the phone on April 15, 2020 to obtain the details of the claim. You advised us that the business is a restaurant and bar. You stated that the governor for the state of Tennessee issued an order on March 16, 2020 that directed the business to close or the police would come and clear the premises. You stated you do not know if the business can operate and complete carry out orders. You stated the order was issued to prevent the spread of COVID-19. You stated that the insured location sustained physical loss because you are not able to utilize the space due to the location being closed. Please contact me if our understanding of your claim or the facts presented is incorrect.

Based on the information you have provided in connection with your claim and a review of your policy, we provide you with the following determination. Certain policy provisions are set forth in this letter but please refer to your policy for the full text.

Your Business Income (And Extra Expense) Coverage Form provides in pertinent part as follows:

A. Coverage

1. Business Income

...



We will pay for the actual loss of Business Income you sustain due to the necessary "suspension" of your "operations" during the "period of restoration". The "suspension" must be caused by direct physical loss of or damage to property at premises which are described in the Declarations and for which a Business Income Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

...

2. Extra Expense

- a. Extra Expense Coverage is provided at the premises described in the Declarations only if the Declarations show that Business Income Coverage applies at that premises.
- b. Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a Covered Cause of Loss.

3. Covered Causes of Loss, Exclusions and Limitations

See applicable Causes of Loss form as shown in the Declarations.

...

5. Additional Coverages

a. Civil Authority

In this Additional Coverage – Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage for Business Income will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.



Civil Authority Coverage for Extra Expense will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) Four consecutive weeks after the date of that action; or
 - (2) When your Civil Authority Coverage for Business Income ends;
- whichever is later.
...

F. Definitions

...

2. "Operations" means:

- a. Your business activities occurring at the described premises; and
- b. The tenantability of the described premises, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

3. "Period of restoration" means the period of time that:

a. Begins:

- (1) 72 hours after the time of direct physical loss or damage for Business Income Coverage; or
- (2) Immediately after the time of direct physical loss or damage for Extra Expense Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

b. Ends on the earlier of:

- (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (2) The date when business is resumed at a new permanent location.

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

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



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

...
6. "Suspension" means:

- a. The slowdown or cessation of your business activities; or
- b. That a part or all of the described premises is rendered untenable, if coverage for Business Income Including "Rental Value" or "Rental Value" applies.

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Your Declarations show Special as the Covered Cause of Loss. The Causes of Loss-Special Form provides in pertinent part as follows:

A. Covered Causes of Loss

When Special is shown in the Declarations, Covered Causes of Loss means Risks Of Direct Physical Loss unless the loss is:

- 1. Excluded in Section B., Exclusions; or
- 2. Limited in Section C. Limitations;

that follow.

B. Exclusions

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

a. Ordinance Or Law

The enforcement of any ordinance or law:

- (1) Regulating the construction, use or repair of any property; or
- (2) Requiring the tearing down of any property, including the cost of removing its debris.

This exclusion, Ordinance Or Law, applies whether the loss results from:

- (a) An ordinance or law that is enforced even if the property.

...
2. We will not pay for loss or damage caused by or resulting from any of the following:

- ...
b. Delay, loss of use or loss of market.

..



3. We will not pay for loss or damage caused by or resulting from any of the following, 3.a. through 3.c. But if an excluded cause of loss that is listed in 3.a. through 3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

- ...
- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

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The Absolute Pollution Exclusion Endorsement provides in pertinent part as follows:

This endorsement replaces any existing terms and/or exclusions regarding pollution liability within this policy.

We will not pay for loss, damage, cost or expense caused directly or indirectly by any of the following. 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:

- A. Property damage arising out of the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants," or contaminants;
 - 1. At or from premises owned, leased, rented or occupied by you,
 - 2. At or from any site or location used by or for you or others for the handling, storage, disposal, processing or treatment of waste,
 - 3. Which are at any time transported, handled, stored, treated, disposed of or processed as waste by or for you or any person or organization for whom you may be legally responsible, or,
 - 4. At or from any site or location on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations;
 - a. If the "pollutants" are brought on or to the site or location in connection with such operations, or
 - b. If the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize the "pollutants."
- B. Any loss, damage, cost or expense arising out of any governmental direction or request that you test for, monitor, clean up, treat, remove, detoxify or neutralize "pollutants" or in any way respond to or assess the effects of "pollutants."

This includes loss or damage caused by or resulting from contributing to or made worse by actual, alleged or threatened release, discharge, escape or dispersal of contaminants and/or pollutants, all of which direct or indirect, proximate or remote, or in whole or in part, caused by, contributed to, or aggravated by any damage insured by the policy.



"Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. In addition to "pollutants" to be disposed of, waste also includes materials to be recycled, reconditioned or reclaimed. It also includes any material which after its release, dispersal or discharge, can cause or threaten damage to human health and/or human welfare, or causes or threatens damage, deteriorations, loss of value, marketability and/or loss of use, to insured property; including, but not limited to bacteria, fungi, virus, or hazardous substances as listed in the Federal Pollution Control Act, Clean Air Act, Resource Conservation and Recovery Act of 1976 and/or Toxic Substances Control Act or as designated by the U.S. Environmental Protection Agency.

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The Business Income coverage applies during the "period of restoration" when your "operations" are suspended and the "suspension" is due to direct physical loss of or damage to property at the described premises as a result of a Covered Cause of Loss. As you have advised, you closed your business solely based upon the guidelines put in place by the Governor of Tennessee. Accordingly, you have not sustained direct physical loss of or damage to any property that would trigger your business income coverage.

The Additional Coverage for Civil Authority does not apply because the order was implemented as a preventative measure in an attempt to minimize the spread of COVID-19, and not in response to a Covered Cause of Loss causing damage to property other than at your premises. Since the action of Civil Authority was not taken because of damage to other property, it did not prohibit access to your premises as a result of damage to property from a Covered Cause of Loss within one mile of your premises, in addition to other applicable reasons.

Additionally, your policy specifically excludes coverage for loss, damage, cost, or expense caused directly or indirectly by the actual, alleged or threatened discharge, dispersal, release or escape of "pollutants," including virus, and such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. Additionally, your policy excludes coverage for loss or damage caused directly or indirectly by the enforcement of an ordinance or law regulating the use of any property. Further, one or more of the following exclusions also apply to your claim: delay, loss of use and loss of market; and acts or decisions of any person, group, organization or governmental body.

Based on the foregoing, we must regretfully inform you that we are unable to provide coverage under the above-referenced policy for your claim. If there is additional information that you believe Mt. Hawley should consider in our coverage analysis, please either contact the undersigned or forward it to our attention.

We finally refer you to the Commercial Loss Conditions policy form CP 00 90 07 88 that states the following:

D. LEGAL ACTION AGAINST US

No one may bring a legal action against us under this Coverage Part unless:



1. There has been full compliance with all of the terms of this Coverage Part; and
2. The action is brought within 2 years after the date on which the direct physical loss or damage occurred.

Please be advised that we are not waiving our rights to assert any and all other rights or defenses under the policy or applicable law. This declination is made without prejudice to any defenses or rights that that Mt. Hawley may have and without waiver of any of the terms, conditions, or provisions of this policy of insurance.

This declination is based on the facts as presently determined after our investigation. If any additional facts should become known, which may affect coverage, Mt. Hawley reserves its right to reevaluate our position.

Should you have any questions or wish to discuss any of the above, please feel free to contact me at 312-675-4161.

Regards,

A handwritten signature in cursive script that reads "Carlos Cagadas".

Carlos Cagadas, CPCU, AIC
Mt. Hawley Insurance Company

cc: Laurie Lewis
Ambassador Group Inc.
llewis@ambassadorins.com

Ryan Hibbert
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