

# SENECA

SENECA INSURANCE COMPANY, INC.

## COMMERCIAL PROTECTION

### MAIN ADMINISTRATIVE OFFICE

160 Water Street  
New York, NY 10038

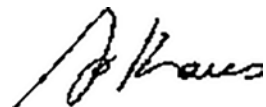
***Please be sure to read your policy***

(Attach Declarations / Coverage Part(s), Coverage Form(s) and Endorsements Here)

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



Marc Wolin  
President and Chief Executive Officer



James Kraus  
Secretary



# U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

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 will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

# NOTICE

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## **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA ADVISORY NOTICE TO POLICYHOLDERS**

This Notice does not form a part of your insurance contract. No coverage is provided by this Notice, nor can it be construed to replace any provisions of your policy (including its endorsements). If there is any conflict between this Notice and the policy (including its endorsements), the provisions of the policy (including its endorsements) shall prevail.

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

This Notice provides information concerning the following endorsement, which applies to your new or renewal policy being issued by us:

### **Exclusion of Loss Due To Virus or Bacteria Endorsement**

This endorsement makes an explicit statement regarding a risk that is not covered under your policy. It points out that there is no coverage under such insurance for loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. The exclusion in this endorsement applies to all coverages provided by your policy, including (if any) property damage and business income coverages.

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

## **EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
STANDARD PROPERTY POLICY

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

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
  - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
  - 2.** Under the Commercial Property Coverage Part:
    - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
    - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;
 

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.

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

## **EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

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

### **SCHEDULE**

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

| State(s)   | Coverage Form, Coverage Part Or Policy |
|--|--|
| Florida  | Commercial Inland Marine Coverage Part |
|  |  |
|  |  |
|  |  |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |  |

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

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

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

**B.** The following exclusion is added:

**CERTIFIED ACT OF TERRORISM EXCLUSION**

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

**C. Exception Covering Certain Fire Losses**

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

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

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

#### **D. Application Of Other Exclusions**

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



# SENECA

## COMMON POLICY DECLARATIONS

**Company Name:** Seneca Insurance Company, Inc.  
160 Water Street, New York, NY 10038

**Local Office:** 1 S. WACKER DRIVE CHICAGO, IL 60606

**Policy No:** XXXXXXXXXXXX **Prior Policy No:** New

**Named Insured & Mailing Address:** **Producer:**  
Sample Policy Francis L. Dean & Associates  
XXXXXXXXXXXXXXXXX 12800 University Drive, #125  
XXXXXXXXXXXXXXXXX Fort Myers, FL 33907

**Code:** 23210

**Policy Period:** **From:** xx/xx/xxxx **To:** xx/xx/xxxx At 12:01 AM, Standard Time at your mailing address shown.

**Business Description:** XXXXXXXXXXXX

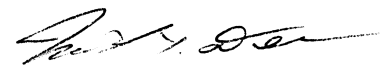
IN RETURN FOR THE PAYMENT OF THE PREMIUM, AND SUBJECT TO ALL THE TERMS OF THIS POLICY,  
WE AGREE WITH YOU TO PROVIDE THE INSURANCE AS STATED IN THIS POLICY.

Premium shown is payable at inception unless otherwise stated. This policy consists of the following coverage parts for which a premium is indicated. This premium may be subject to adjustment.

| COVERAGE PARTS:                        | PREMIUM       |
|--|---------------|
| Commercial Property Coverage Part      | Not Covered   |
| Commercial Inland Marine Coverage Part | 0.00          |
| Equipment Breakdown Coverage Part      | Not Covered   |
| Certified Acts of Terrorism            | Not Covered   |
| <b>Total:</b>                          | <b>\$0.00</b> |
| <b>Taxes / Fees / Surcharges:</b>      | <b>\$0.00</b> |

FORMS AND ENDORSEMENTS MADE PART OF THIS POLICY AT TIME OF ISSUANCE.  
SEE SCHEDULE OF FORMS AND ENDORSEMENTS ATTACHED.

**FTZ CODE:** N/A  
**DATE:** 09/09/2019



Authorized Representative

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS, COVERAGE PART DECLARATIONS,  
COVERAGE PART COVERAGE FORM(S), AND FORMS AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF,  
COMPLETE THE ABOVE NUMBERED POLICY.

## SCHEDULE OF FORMS AND ENDORSEMENTS

Forms and endorsements made part of this policy at time of issuance:

| <u>Form No.</u> | <u>Ed. Date</u> | <u>Form Name</u>  |
|-----------------|-----------------|---|
| 42-026          | 03 14           | Commercial Protection Policy Jacket   |
| 40-075          | 04 11           | Claims Notification   |
| IL P 001        | 01 04           | U.S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders |
| PN 400          | 11 13           | Exclusion of Loss Due to Virus or Bacteria Advisory Notice of Policyholders                           |
| IL 09 35        | 07 02           | Exclusion of Certain Computer-Related Losses  |
| IL 09 53        | 01 15           | Exclusion of Certified Act of Terrorism   |
| GEN 100         | 08 14           | Common Policy Declarations  |
| IL 00 17        | 11 98           | Common Policy Conditions  |
| CM 00 01        | 09 04           | Commercial Inland Marine Conditions   |
| IM 323          | 02 07           | Replacement Cost Endt   |
| GEN 312         | 09 14           | Min Earned Prem - Pct of WP w Min Amt   |
| FIM 100         | 10 18           | Miscellaneous Property Schedule   |
| IM 063          | 02 12           | Miscellaneous Property Coverage Form  |
| FIM 200         | 10 18           | Equipment Floater Coverage Endt   |
| FIM 601         | 10 18           | Theft From Unattended Vehicle Endt  |
| IM 314          | 12 07           | Total Fungus, Wet Rot, or Dry Rot Exclusion   |
| IM 322          | 12 07           | Exclusion of Loss Due to Virus or Bacteria  |
| CM 01 01        | 11 85           | FLORIDA CHANGES - WARRANTIES  |
| CM 01 16        | 02 12           | FLORIDA CHANGES   |
| IL 01 75        | 09 07           | FLORIDA CHANGES - LEGAL ACTION AGAINST US   |
| IL 02 55        | 03 16           | FLORIDA CHANGES - CANCELLATION AND NONRENEWAL   |
| IL 09 35        | 07 02           | EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES  |

## 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.

## COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

### LOSS CONDITIONS

#### A. Abandonment

There can be no abandonment of any property to us.

#### B. Appraisal

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

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

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

#### C. Duties In The Event Of Loss

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. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.

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. 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.

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

9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.

10. Cooperate with us in the investigation or settlement of the claim.

#### D. Insurance Under Two Or More Coverages

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

#### E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.

2. We will not pay you more than your financial interest in the Covered Property.

3. 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 claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.

4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.

5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - a. We have reached agreement with you on the amount of the loss; or
  - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

#### **F. 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.

#### **G. Pair, Sets Or Parts**

##### **1. Pair Or Set**

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

##### **2. Parts**

In case of loss or damage to any part of Covered Property consisting of several parts when complete, we will only pay for the value of the lost or damaged part.

#### **H. 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.

#### **I. Reinstatement Of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

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

This will not restrict your insurance.

#### **GENERAL CONDITIONS**

##### **A. Concealment, Misrepresentation Or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, 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. 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 the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. No Benefit To Bailee**

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

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;

2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

# ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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## REPLACEMENT COST

The Valuation Condition contained in the Commercial Inland Marine Conditions is replaced by the following:

### VALUATION

1. Replacement cost (without deduction for depreciation) replaces actual cash value wherever the words actual cash value appears in this Coverage Form.
2. 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 replacement cost coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
3. We will not pay more for loss or damage on a replacement cost basis than the least of:
  - a. The Limit of Insurance applicable to the lost or damaged property;
  - b. The cost to replace, on the same premises, the lost or damaged property with other property:
    - (1) Of comparable material and quality; and
    - (2) Used for the same purpose; or
  - c. The amount you actually spend that is necessary to repair or replace the lost or damaged property.

We will not pay for loss or damage on a replacement cost basis until the lost or damaged property is actually repaired or replaced. If not repaired or replaced within a reasonable time after the loss or damage, the most we will pay is the actual cash value.

In the event of loss or damage, the value of the property will be determined as of the time of loss or damage.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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# ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY. **Endorsement #:**

\* THIS INFORMATION IS COMPLETED ONLY WHEN THIS ENDORSEMENT IS ISSUED SUBSEQUENT TO PREPARATION OF THE POLICY.

|                         |                              |                               |            |
|-------------------------|------------------------------|-------------------------------|------------|
| <b>Company Name* :</b>  |                              | <b>Policy Number:</b>         | XXXXXXXXXX |
| <b>Named Insured* :</b> | XXXXXXXXXXXXXXXXXX           | <b>Policy Effective Date:</b> | xx/xx/xxxx |
| <b>Producer* :</b>      | Francis L. Dean & Associates | <b>Endt. Effective Date:</b>  | xx/xx/xxxx |

IF A COVERAGE IS SHOWN HERE, THIS ENDORSEMENT APPLIES ONLY TO THAT COVERAGE:

## MINIMUM EARNED PREMIUM PERCENTAGE OF WRITTEN PREMIUM SUBJECT TO A MINIMUM DOLLAR AMOUNT

Unless this policy is cancelled by us, the minimum earned premium will be 20% of the premium for the Policy Period, subject to a minimum amount of \$225.00. The minimum earned premium will be deemed fully earned regardless of when the policy is cancelled.

If you cancel this policy, the return premium will be 90% of any unearned premium\* subject to application of the minimum earned premium for the Policy Period. If we cancel this policy, then the full amount of the unearned premium, without any minimum premium restrictions, will be returned to you.

If premium is owed at the time of cancellation, and you canceled the policy, we shall be entitled to collect the greater of 110% of the earned premium or the minimum earned premium, less any payments received by us.

If premium is owed at the time of cancellation, and we cancelled the policy, we shall be entitled to collect the earned premium, less any payments received by us.

It is further agreed that cancellation of the policy by us for non-payment of premium after the effective date of the policy shall be deemed a request by you to cancel the policy, thereby activating the minimum earned premium.

\*Unearned premium is the pro-rata portion of the premium applicable to the post-cancellation period of the Policy Period.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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# SENECA

## MISCELLANEOUS PROPERTY SCHEDULE

Policy Number: XXXXXXXXXXXX

Effective Date: xx/xx/xxxx

Named Insured: XXXXXXXXXXXX

### LIMITS OF INSURANCE AND SCHEDULE OF PROPERTY

**Limit of Insurance:**      **\$8,100.00**      is the most we will pay for all loss or damage in any one occurrence; but not to exceed the applicable Limits of Insurance for each coverage and for each item, or the applicable Sub-Limits of Insurance shown below, if any:

| Unscheduled "Sports, Leisure and Recreational Equipment" Owned By You | Limits of Insurance |
|---|---------------------|
| For Any One Item  | \$5,000.00          |
| In Any One Occurrence   | \$8,100.00          |

### COVERAGE OPTIONS

If This Box is Checked , The Theft From Any Unattended Vehicle Exclusion Does Not Apply.

If This Box is Checked , Interior or Exterior Plate Glass Window Coverage Option Applies.

### DEDUCTIBLES

\$250.00      Per occurrence.

If two or more deductibles apply to any covered loss or damage, the highest single deductible will apply in any one occurrence.

### VALUATION

Replacement Cost as per IM 323 – Replacement Cost.

## MISCELLANEOUS 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 F. DEFINITIONS.

### A. COVERAGE

We will pay for direct physical "loss" to Covered Property caused by any of the Covered Causes of Loss.

#### 1. Covered Property

Covered Property, as used in this Coverage Form, means property listed and described in the Declarations or Schedule.

#### 2. Property Not Covered

Covered Property does not include:

- a. Land (including land on which the Covered Property is located);
- b. Water; or
- c. Contraband or property in the course of illegal transportation or trade.

#### 3. Covered Causes of Loss

Covered Causes of Loss means Risks of Direct Physical "Loss" to Covered Property from any external cause except those causes of "loss" listed in the Exclusions.

#### 4. Coverage Extensions

##### a. Debris Removal

We will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period.

The expenses will be paid only if they are reported to us within 180 days of the earlier of:

- (1) The date of direct physical "loss"; or
- (2) The end of the policy period.

The most we will pay under this extension is 25% of the amount payable for the direct physical "loss" before we apply the Deductible to such "loss". But this limitation does not apply to any additional debris removal limit provided in the Schedule.

This extension does not apply to expenses to:

- (1) Extract "pollutants" from land or water; or
- (2) Remove, restore, or replace polluted land or water.

##### b. Pollutant Clean Up and Removal

We will extend the insurance to pay any legally imposed expense you incur to extract "pollutants" from land or water if the release, discharge or dispersal of the "pollutants" is caused by or results from a Covered Cause of Loss to Covered Property which occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the earlier of:

- (1) The date of direct physical "loss"; or
- (2) The end of the policy period.

The most we will pay under this Coverage Extension is \$10,000 for any one "loss." But we will not pay more than \$25,000 for all such expenses under this Coverage Extension, which occur during each separate 12 month period of this policy.

### B. EXCLUSIONS

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

#### a. 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 to Covered Property ordered by governmental authority and taken at the time of a fire to prevent its spread;

## MISCELLANEOUS PROPERTY COVERAGE FORM

b. Nuclear Hazard

- (1) Any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination from any other cause. But we will pay for direct physical "loss" to Covered Property caused by resulting fire;

c. 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.

d. Earth Movement

- (1) Any earth movement such as:
  - (a) Earthquake, including any earth sinking, rising or shifting related to such event;
  - (b) Landslide, including any earth sinking, rising or shifting related to such event;
  - (c) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased;
  - (d) 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 we will pay for direct physical "loss" to Covered Property caused by resulting fire or explosion, except as otherwise excluded.

Earthquake means a shaking or trembling of the earth's crust, caused by underground volcanic or tectonic forces or by breaking or shifting of rock beneath the surface of the ground from natural causes. An earthquake includes all related shocks and after shocks.

- (2) Volcanic eruption, explosion or effusion. But we will pay for direct physical "loss" to Covered Property caused by resulting fire, building glass breakage or volcanic action, except as otherwise excluded.

Volcanic action means direct physical "loss" to Covered Property resulting from the eruption of a volcano when the "loss" 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, which does not cause direct physical "loss" to Covered Property.

This exclusion does not apply to property in transit.

e. Water

- (1) Flood, surface water, waves (including tidal wave & tsunami), tides, tidal water, overflow of any body of water, or their spray, 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 or 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.
- (5) Waterborne material carried or otherwise moved by any of the water referred to in Paragraph B.1.e.(1), (3), or (4), or material carried or otherwise moved by mudslide or mudflow.
- (6) Any release of water impounded by a dam;
- (7) Water leakage of fire protective systems, including any fire prevention substance, caused by or resulting from earthquake;
- (8) Water that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

## MISCELLANEOUS PROPERTY COVERAGE FORM

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

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

But we will pay for direct physical "loss" to Covered Property caused by resulting fire or explosion, except as otherwise excluded.

This exclusion applies regardless of whether any of the above in Paragraphs B.1.f.(1) through (7), 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.

This exclusion does not apply to property while in transit.

2. We will not pay for "loss" caused by or resulting from any of the following:
- a. Delay, loss of use, loss of market, or any other causes of consequential "loss".
  - b. Wear and tear, depreciation or obsolescence.
  - c. Rust, corrosion, fungus, decay, deterioration, hidden or latent defect, or any quality in property that causes it to damage or destroy itself.
  - d. Insects, birds, rodents, or other animals.
  - e. Mechanical breakdown or failure. But we will pay for direct physical "loss" to Covered Property caused by resulting fire or explosion, except as otherwise excluded.
  - f. Artificially generated electric current, including electric arcing, that disturbs electrical:
    - (1) Devices;
    - (2) Equipment;
    - (3) Appliances; or
    - (4) Wires.But we will pay for direct physical "loss" to Covered Property caused by resulting fire or explosion, except as otherwise excluded.
  - g. Unexplained disappearance.
  - h. Shortage found upon taking inventory.
  - i. Dishonest acts by:
    - (1) You or any of your partners;
    - (2) Your directors or trustees;
    - (3) Your authorized representatives or employees; or
    - (4) Anyone, other than a carrier for hire, to whom you entrusted the Covered Property, including their employees, for any purpose.This exclusion applies whether or not such persons are acting alone or in collusion with other persons or such acts occur during the hours of employment.
  - j. Voluntary parting with any property whether or not induced to do so by any fraudulent scheme, trick, device or false pretense.
  - k. Unauthorized instructions to transfer property to any person or to any place.
  - l. Spoilage, contamination, leakage, breakage, marring, scratching, freezing, wetness, dampness or exposure to light, darkness or heat. But we will pay for direct "loss" to Covered Property caused by any of the "specified causes of loss," except as otherwise excluded.
  - m. Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry. But this exclusion does not apply to property in the custody of a carrier for hire.
  - n. Processing or work upon the property. But we will pay for direct "loss" to Covered Property caused by resulting fire.

### C. LIMITS OF INSURANCE

The most we will pay for "loss" in any one occurrence is the smallest applicable Limit of Insurance shown in:

1. The Declarations;
2. The Schedule(s);
3. The Coverage Form; or
4. The Endorsement(s).

The Maximum Limit shown in the Declarations or Schedule is the most we will pay for all "loss" in any one occurrence to Covered Property insured under this Coverage Form.

## MISCELLANEOUS PROPERTY COVERAGE FORM

### D. DEDUCTIBLE

We will adjust the "loss" in any one occurrence as a single "loss." We will not pay for "loss" in any one occurrence until the amount of the adjusted "loss" before applying the applicable Limit of Insurance exceeds the Deductible amount shown in the Declarations, Schedule or Endorsement(s). We will then pay the amount of the adjusted "loss" in excess of the Deductible, up to the applicable Limit of Insurance.

### E. ADDITIONAL CONDITIONS

The Commercial Inland Marine Conditions and the Common Policy Conditions apply as well as those listed below:

#### 1. Coverage Territory

We insure the Covered Property only while it is located in:

- a. The United States of America; or
- b. Canada.

#### 2. Coinsurance

Covered Property must be insured for its total value as of the time of "loss" or you will incur a penalty.

The penalty is that we will pay only the proportion of any "loss" that the applicable Limit of Insurance shown in the Declarations or Schedule for the Covered Property bears to the total value of the Covered Property as of the time of "loss."

If we cover two or more items, this condition will apply to each item separately.

### F. DEFINITIONS

1. "**Loss**" means accidental loss or damage.
2. "**Specified causes of loss**" means: fire; lightning; explosion; windstorm; hail; smoke; riot; strike; vandalism; theft; leakage from fire extinguishing equipment (not including leakage as a result of earthquake); aircraft or vehicles; volcanic action; falling objects; weight of snow, ice or sleet; water damage; or accident to the vehicle while carrying the Covered Property.
  - a. **Falling objects does not include** "loss" to:
    - (1) Personal property in the open; or
    - (2) The interior of a structure, or property inside a structure, unless the roof or an outside wall of the structure is first damaged by a falling object.
  - b. **Water damage** means "loss" caused by accidental discharge or leakage of water or steam as the direct result of the breaking or cracking of any part of a system or appliance containing water or steam.
3. "**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.

# ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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## EQUIPMENT FLOATER COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:  
MISCELLANEOUS PROPERTY COVERAGE FORM

A. The following definitions are added:

4. **“Production Equipment”** means cameras, camera equipment, sound, audio visual, lighting and grip equipment, communications equipment, portable electric equipment, editing and projection equipment, generators, mechanical effects equipment, props, sets, wardrobe, event equipment, theatrical equipment, computer equipment including desktops, laptops and monitors, and “Related Personal Property” including related office personal property and any related production equipment.
5. **“Musical Instruments”** means musical instruments including vintage and class musical instruments, sound equipment, and “Related Personal Property” including related office personal property and related musical equipment.
6. **“Sports, Leisure and Recreational Equipment”** means sporting goods and equipment, gym and fitness equipment, sport event property, race timing machines, racing chips, banners, ROTC related equipment and “Related Personal Property” including related office personal property and any related sports and recreational equipment.
7. **“Related Personal Property”** means related business personal property, tenant improvements and betterments, signs, mirrors, packing cases, and storage units.
8. **“Equipment Leased or Rented From Others”** means “Production Equipment”, “Musical Instruments”, “Sports, Leisure and Recreational Equipment” of a type already covered under this Coverage Form that you lease or rent from others during the policy period.
9. **“Equipment Leased or Rented To Others”** means “Production Equipment”, “Musical Instruments”, “Sports, Leisure and Recreational Equipment” that you already own that you lease or rent to another person or entity during the policy period.

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**B. Paragraph A.1., Covered Property,** is deleted in its entirety and replaced with the following:

**1. Covered Property**

Covered Property, as used in this Coverage Form, means the property described in the Declarations or Schedule that:

- a. You own; or
- b. Is in your care, custody or control.

**C. The following is added to Paragraph A.2., Property Not Covered:**

- d. Vehicles or self-propelled machines that are licensed for use on public roads;
- e. Aircraft or watercraft;
- f. Property while waterborne or property while under water;
- g. Property that you loan, lease or rent to others;
- h. Tools and clothing belonging to your employees;
- i. "Production Equipment", "Musical Instruments", or "Sports, Leisure and Recreational Equipment" owned by you, with an individual item value over \$5,000 that has not been scheduled and reported to us;
- j. "Production Equipment", "Musical Instruments", or "Sports, Leisure and Recreational Equipment" owned by you, with an individual item value over \$150,000, regardless if the item has been scheduled or not;

**D. If coverage for Interior or Exterior Plate Glass Windows is indicated in the Declarations or Schedule:**

- 1. Definition **A.7. , "Related Personal Property"** is amended to include interior or exterior plate glass windows.
- 2. The most we will pay for loss or damage to interior or exterior plate glass windows in any one occurrence is the lesser of the following amounts:
  - a. \$5,000;
  - b. The applicable Limit of Insurance shown in the Declarations or Schedule for Interior or Exterior Plate Glass Windows; or
  - c. The applicable Limit of Insurance shown in the Declarations or Schedule for Covered Property;

The coverage provided under this endorsement does not increase the applicable Limit of Insurance for Covered Property shown in the Declarations or Schedule.

E. Paragraphs **B.1.d.**, **Exclusions**, is deleted in its entirety and replaced with the following:

**d. Earth Movement**

- (1) Earthquake, including tremors and aftershocks and 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 Paragraphs **b.(1)** through **b.(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.

With respect to coverage for Volcanic Action as set forth in **(5)(a)**, **(5)(b)** and **(5)(c)**, 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 Covered Property.

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.



F. Paragraphs **B.1.e.**, **Exclusions**, is deleted in its entirety and replaced with the following:

**e. 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.

G. Paragraphs **B.2.e.** and **B.2.f.**, **Exclusions**, are deleted in their entirety and replaced with the following:

- e.** Mechanical breakdown (including rupture or bursting caused by centrifugal force), malfunction or failure to operate.

But if fire or explosion results, we will pay for the loss or damage caused by that fire or explosion, except as otherwise excluded.

- f.** 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 microwaves.

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

**H.** Paragraph **B.2.i., Exclusions**, is deleted in its entirety and replaced with the following:

**i.** Dishonest or criminal act (including theft) committed by:

- (1)** You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees or authorized representatives;
  - (2)** A manager or a member if you are a limited liability company; or
  - (3)** Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;
- whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

All loss or damage under this exclusion caused by one or more persons or involving a single act or series of acts is considered one occurrence.

**I.** The following is added to Paragraph **B.2., Exclusions**:

- o.** Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
- p.** Denting or chipping.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

# ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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## THEFT FROM UNATTENDED VEHICLE ENDORSEMENT

This endorsement modifies insurance provided under the following:

MISCELLANEOUS PROPERTY COVERAGE FORM

1. Paragraph **B.2.m., Exclusions**, is deleted in its entirety and is replaced with the following:

**m.** Theft from any unattended vehicle unless at the time of theft its windows, doors and compartments were closed and locked and there are visible signs that the theft was the result of forced entry.

This Theft From Any Unattended Vehicle Exclusion applies unless otherwise indicated in the Declarations or Schedule.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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# ENDORSEMENT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TOTAL FUNGUS, WET ROT OR DRY ROT EXCLUSION

**A. Notwithstanding any provision to the contrary within this policy:**

1. We will not pay for any loss, damage, cost, or expense caused directly or indirectly by, arising out of, resulting from, contributed by, or related in any way to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss; and
2. We will not defend any claim or suit, or pay any damages, loss, expense, cost, or obligation caused directly or indirectly by, arising out of, resulting from, contributed by, or related in any way to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot.

**B. This exclusion also applies to any damages, loss, cost or expense arising out of or associated in any way with:**

1. Any request, demand, or order that you or others abate, mitigate, test for, monitor, remediate, clean up, remove, contain, treat, detoxify, kill, destroy, dispose of, investigate or neutralize, or in any way respond to or assess the presence or effects of "fungus", wet rot or dry rot; or
2. Any claim or suit on behalf of any person entity, or organization, including any governmental authority, for damages because of abating, mitigating, testing for, monitoring, remediating, cleaning up, removing, containing, treating, detoxifying, killing, destroying, disposing or, investigating, or neutralizing, or in any way responding to or assessing the presence or effects of "fungus", wet rot or dry rot; or
3. Any obligation to share with, repay, or indemnify any person, organization or entity, related in any way to "fungus", wet rot or dry rot.

**C. The following definition of "fungus" is added to the policy. If the policy contains a definition of "fungus", it is replaced by the following:**

"Fungus" means any species of fungi, including, but not limited to, mold, yeast, mildew, spores, mold toxins, mycotoxins, mold metabolites, mold antigens, mold allergens, mold-produced antibiotics, scents or by-products produced or released by fungi, or dust or fumes containing any of the foregoing, individually, or in any combination or with another substance.

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# ENDORSEMENT

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

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## EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA

**A.** The exclusion set forth in Paragraph **B.** applies to all coverage under all forms and endorsements that comprise this Coverage Part or Policy, including but not limited to forms or endorsements that cover property damage to buildings or personal property and forms or endorsements that cover business income, extra expense or action of civil authority.

**B.** We will not pay for loss or damage caused directly or indirectly by any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

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

**C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supersedes any exclusion relating to "pollutants".

**D.** The terms of the exclusion in Paragraph **B.**, or the inapplicability of this exclusion to a particular loss, do not serve to create coverage for any loss that would otherwise be excluded under this Coverage Part or Policy.

**ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.**

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

## **FLORIDA CHANGES – WARRANTIES**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART

Wherever the words "warrants", "warranties", "warranted" or "warranty" appear in this Coverage Part, you and we agree that they are representations.

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

## **FLORIDA CHANGES**

This endorsement modifies insurance provided under the following:

### COMMERCIAL INLAND MARINE COVERAGE PART

- A.** Paragraph **5.** of Loss Condition **E. Loss Payment** in the Commercial Inland Marine Conditions is replaced by the following:
- 5.** Provided you have complied with all the terms of this Coverage Part, we will pay for covered loss or damage within:
    - a.** 20 days after we receive the sworn proof of loss and reach written agreement with you; or
    - b.** 30 days after we receive the sworn proof of loss and:
      - (1)** There is an entry of final judgment; or
      - (2)** There is a filing of an appraisal award with us.
- Paragraph **A.** does not apply to the Mail Coverage Form.
- B.** The following provisions are added to Loss Condition **C. Duties In The Event Of Loss** in the Commercial Inland Marine Conditions:
- 1.** A claim, supplemental claim or reopened claim for loss or damage caused by hurricane or other windstorm is barred unless notice of claim is given to us in accordance with the terms of this Coverage Part within three years after the hurricane first made landfall or a windstorm other than hurricane caused the covered damage. (Supplemental claim or reopened claim means an additional claim for recovery from us for losses from the same hurricane or other windstorm which we have previously adjusted pursuant to the initial claim.)

This provision concerning time for submission of claim, supplemental claim or reopened claim does not affect any limitation for legal action against us as provided in this Coverage Part under the Legal Action Against Us Condition, including any amendment to that condition.
  - 2.** Any inspection or survey by us, or on our behalf, of property that is the subject of a claim, will be conducted with at least 48 hours' notice to you. The 48-hour notice may be waived by you.

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

## **FLORIDA CHANGES – LEGAL ACTION AGAINST US**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART

The following replaces the second paragraph of the **Legal Action Against Us** Condition:

### **LEGAL ACTION AGAINST US**

Legal action against us involving direct physical loss or damage to property must be brought within 5 years from the date the loss occurs.



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

## **FLORIDA CHANGES – CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

**A.** Paragraph **2.** of the **Cancellation** Common Policy Condition is replaced by the following:

**2. Cancellation For Policies In Effect 90 Days Or Less**

**a.** If this policy has been in effect for 90 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:

- (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium; or
- (2)** 20 days before the effective date of cancellation if we cancel for any other reason, except we may cancel immediately if there has been:
  - (a)** A material misstatement or misrepresentation; or
  - (b)** A failure to comply with underwriting requirements established by the insurer.

**b.** We may not cancel:

- (1)** On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property; or

**(2)** Solely on the basis of a single property insurance claim which is the result of water damage, unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

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

**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. If the return premium is not refunded with the notice of cancellation or when this policy is returned to us, we will mail the refund within 15 working days after the date cancellation takes effect, unless this is an audit policy.

If this is an audit policy, then, subject to your full cooperation with us or our agent in securing the necessary data for audit, we will return any premium refund due within 90 days of the date cancellation takes effect. If our audit is not completed within this time limitation, then we shall accept your own audit, and any premium refund due shall be mailed within 10 working days of receipt of your audit.

The cancellation will be effective even if we have not made or offered a refund.

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

**7. Cancellation For Policies In Effect For More Than 90 Days**

- a. If this policy has been in effect for more than 90 days, we may cancel this policy only for one or more of the following reasons:
- (1) Nonpayment of premium;
  - (2) The policy was obtained by a material misstatement;
  - (3) In the event of failure to comply, within 90 days after the effective date of coverage, with underwriting requirements established by us before the effective date of coverage;
  - (4) There has been a substantial change in the risk covered by the policy;
  - (5) The cancellation is for all insureds under such policies for a given class of insureds;
  - (6) On the basis of property insurance claims that are the result of an act of God, if we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;
  - (7) On the basis of a single property insurance claim which is the result of water damage, if we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property; or
  - (8) The cancellation of some or all of our policies is necessary to protect the best interests of the public or policyholders and such cancellation is approved by the Florida Office of Insurance Regulation.
- b. If we cancel this policy for any of these reasons, we will mail or deliver to the first Named Insured written notice of cancellation, accompanied by the specific reasons for cancellation, at least:
- (1) 10 days before the effective date of cancellation if cancellation is for nonpayment of premium;

(2) 45 days before the effective date of cancellation if:

- (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above, and this policy does not cover a residential structure or its contents; or
  - (b) Cancellation is based on the reason stated in Paragraph **7.a.(8)** above;
- (3) 120 days before the effective date of cancellation if:
- (a) Cancellation is for one or more of the reasons stated in Paragraphs **7.a.(2)** through **7.a.(7)** above; and
  - (b) This policy covers a residential structure or its contents.

c. If this policy has been in effect for more than 90 days and covers a residential structure or its contents, we may not cancel this policy based on credit information available in public records.

D. The following is added:

**Nonrenewal**

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured written notice of nonrenewal, accompanied by the specific reason for nonrenewal, at least:
  - a. 45 days prior to the expiration of the policy if this policy does not cover a residential structure or its contents, or if nonrenewal is for the reason stated in Paragraph **D.5.**; or
  - b. 120 days prior to the expiration of the policy if this policy covers a residential structure or its contents.
2. Any notice of nonrenewal will be mailed or delivered to the first Named Insured at the last mailing address known to us. If notice is mailed, proof of mailing will be sufficient proof of notice.
3. We may not refuse to renew this policy:
  - a. On the basis of property insurance claims that are the result of an act of God, unless we can demonstrate, by claims frequency or otherwise, that you have failed to take action reasonably necessary as requested by us to prevent recurrence of damage to the insured property;

b. On the basis of filing of claims for sinkhole loss. However, we may refuse to renew this policy if:

- (1) The total of such property insurance claim payments for this policy equals or exceeds the policy limits in effect on the date of loss for property damage to the covered building; or
- (2) You have failed to repair the structure in accordance with the engineering recommendations upon which any loss payment or policy proceeds were based; or

c. Solely on the basis of a single property insurance claim which is the result of water damage, unless we can demonstrate that you have failed to take action reasonably requested by us to prevent a future similar occurrence of damage to the insured property.

4. Notwithstanding the provisions of Paragraph **D.3.**, we may refuse to renew this policy if this policy includes Sinkhole Loss coverage. If we nonrenew this policy for purposes of removing Sinkhole Loss coverage, pursuant to section 627.706, Florida Statutes, we will offer you a policy that includes catastrophic ground cover collapse coverage.

5. Notwithstanding the provisions of Paragraph **D.3.**, we may refuse to renew this policy if nonrenewal of some or all of our policies is necessary to protect the best interests of the public or policyholders and such nonrenewal is approved by the Florida Office of Insurance Regulation.

**E. Limitations On Cancellation And Nonrenewal In The Event Of Hurricane Or Wind Loss – Residential Property**

1. The following provisions apply to a policy covering a residential structure or its contents, if such property has sustained damage as a result of a hurricane or windstorm that is the subject of a declaration of emergency by the Governor and filing of an order by the Commissioner of Insurance Regulation:

a. Except as provided in Paragraph **E.1.b.**, we may not cancel or nonrenew the policy until at least 90 days after repairs to the residential structure or its contents have been substantially completed so that it is restored to the extent that it is insurable by another insurer writing policies in Florida. If we elect to not renew the policy, we will provide at least 100 days' notice that we intend to nonrenew 90 days after the substantial completion of repairs.

b. We may cancel or nonrenew the policy prior to restoration of the structure or its contents for any of the following reasons:

- (1) Nonpayment of premium;
- (2) Material misstatement or fraud related to the claim;
- (3) We determine that you have unreasonably caused a delay in the repair of the structure; or
- (4) We have paid the policy limits.

If we cancel or nonrenew for nonpayment of premium, we will give you 10 days' notice. If we cancel or nonrenew for a reason listed in Paragraph **b.(2)**, **b.(3)** or **b.(4)**, we will give you 45 days' notice.

2. With respect to a policy covering a residential structure or its contents, any cancellation or nonrenewal that would otherwise take effect during the duration of a hurricane will not take effect until the end of the duration of such hurricane, unless a replacement policy has been obtained and is in effect for a claim occurring during the duration of the hurricane. We may collect premium for the period of time for which the policy period is extended.

3. With respect to Paragraph **E.2.**, a hurricane is a storm system that has been declared to be a hurricane by the National Hurricane Center of the National Weather Service (hereafter referred to as NHC). The hurricane occurrence begins at the time a hurricane watch or hurricane warning is issued for any part of Florida by the NHC and ends 72 hours after the termination of the last hurricane watch or hurricane warning issued for any part of Florida by the NHC.

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

## **EXCLUSION OF CERTAIN COMPUTER-RELATED LOSSES**

This endorsement modifies insurance provided under the following:

COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
STANDARD PROPERTY POLICY

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

due to the inability to correctly recognize, process, distinguish, interpret or accept one or more dates or times. An example is the inability of computer software to recognize the year 2000.
  - 2.** Any advice, consultation, design, evaluation, inspection, installation, maintenance, repair, replacement or supervision provided or done by you or for you to determine, rectify or test for, any potential or actual problems described in Paragraph **A.1.** of this endorsement.
- B.** If an excluded Cause of Loss as described in Paragraph **A.** of this endorsement results:
- 1.** In a Covered Cause of Loss under the Crime and Fidelity Coverage Part, the Commercial Inland Marine Coverage Part or the Standard Property Policy; or
  - 2.** Under the Commercial Property Coverage Part:
    - a.** In a "Specified Cause of Loss", or in elevator collision resulting from mechanical breakdown, under the Causes of Loss – Special Form; or
    - b.** In a Covered Cause of Loss under the Causes Of Loss – Basic Form or the Causes Of Loss – Broad Form;
 

we will pay only for the loss ("loss") or damage caused by such "Specified Cause of Loss", elevator collision, or Covered Cause of Loss.
- C.** We will not pay for repair, replacement or modification of any items in Paragraphs **A.1.a.** and **A.1.b.** of this endorsement to correct any deficiencies or change any features.