

# Council of Co-Owners of Strathmore Tower Condominium

Budget



# Council of Co-Owners of Strathmore Tower Condominium

## 2023 Proposed Annual Budget

|                                  | 2022              | 2023              | % Variance       |
|----------------------------------|-------------------|-------------------|------------------|
| <b>Income</b>                    |                   |                   |                  |
| <b>Income</b>                    |                   |                   |                  |
| 41000 - Association Fees         | 754,017.00        | 776,637.00        | 3.00 %           |
| 44000 - Late Charge Fees         | 3,000.00          | 3,000.00          | .00 %            |
| 44650 - Move In/Out Fees         | 1,500.00          | 1,500.00          | .00 %            |
| 45500 - Interest Income          | 5,000.00          | 5,000.00          | .00 %            |
| <b>Total Income</b>              | <b>763,517.00</b> | <b>786,137.00</b> | <b>2.96 %</b>    |
| <b>Total Income</b>              | <b>763,517.00</b> | <b>786,137.00</b> | <b>2.96 %</b>    |
| <b>Expense</b>                   |                   |                   |                  |
| <b>Administrative</b>            |                   |                   |                  |
| 50260 - Loan Payment             | 108,790.00        | 109,627.00        | .77 %            |
| 50300 - Legal                    | 3,000.00          | 3,000.00          | .00 %            |
| 50350 - Tax Return/Audit         | 2,650.00          | 2,650.00          | .00 %            |
| 51050 - Management Fee           | 51,941.00         | 55,645.00         | 7.13 %           |
| 51150 - Office Expense           | 3,625.00          | 3,625.00          | .00 %            |
| 51212 - Car & Phone Allowance    | 1,200.00          | 1,200.00          | .00 %            |
| 51450 - Postage and Copies       | 1,600.00          | 1,600.00          | .00 %            |
| 53001 - Doormen                  | 61,309.00         | 63,148.00         | 3.00 %           |
| 53002 - Receptionist/PBX         | 72,091.00         | 74,254.00         | 3.00 %           |
| 53003 - Janitor                  | 24,420.00         | 25,153.00         | 3.00 %           |
| 53004 - Maintenance Staff        | 64,890.00         | 84,237.00         | 29.82 %          |
| 53010 - Employee Uniforms        | 1,400.00          | 1,400.00          | .00 %            |
| 53020 - FICA                     | 18,581.00         | 19,138.00         | 3.00 %           |
| 53030 - State Unemployment Tax   | 4,465.00          | 4,599.00          | 3.00 %           |
| 53040 - Federal Unemployment Tax | 1,133.00          | 1,167.00          | 3.00 %           |
| 53070 - Payroll Fees             | 1,945.00          | 1,945.00          | .00 %            |
| <b>Total Administrative</b>      | <b>423,040.00</b> | <b>452,388.00</b> | <b>6.94 %</b>    |
| <b>Utilities</b>                 |                   |                   |                  |
| 55000 - Electric                 | 78,245.00         | 76,329.00         | (2.45) %         |
| 56250 - Telephone                | 5,992.00          | 5,992.00          | .00 %            |
| 56450 - Natural Gas              | 35,000.00         | 33,871.00         | (3.23) %         |
| 56500 - Water and Sewer          | 59,256.00         | 60,000.00         | 1.26 %           |
| 56506 - Water Treatment          | 2,135.00          | 2,135.00          | .00 %            |
| <b>Total Utilities</b>           | <b>180,628.00</b> | <b>178,327.00</b> | <b>(1.27) %</b>  |
| <b>Grounds</b>                   |                   |                   |                  |
| 60400 - Landscape Contract       | 4,545.00          | 4,681.00          | 2.99 %           |
| 60760 - Common Area Maintenance  | 6,485.00          | 6,485.00          | .00 %            |
| 62650 - Repairs and Maintenance  | 1,500.00          | 1,500.00          | .00 %            |
| 62850 - Snow Removal             | 5,000.00          | -                 | (100.00) %       |
| <b>Total Grounds</b>             | <b>17,530.00</b>  | <b>12,666.00</b>  | <b>(27.75) %</b> |

# Council of Co-Owners of Strathmore Tower Condominium

## 2023 Proposed Annual Budget

|  | 2022              | 2023              | % Variance      |
|--|-------------------|-------------------|-----------------|
| <b>Buildings</b>                       |                   |                   |                 |
| 65000 - Elevator Contract              | 12,744.00         | 13,652.00         | 7.12 %          |
| 65050 - Elevator Repairs & Maintenance | 5,000.00          | 5,000.00          | .00 %           |
| 65300 - Janitorial Supplies            | 6,500.00          | 6,500.00          | .00 %           |
| 65600 - HVAC Contract                  | 9,660.00          | 9,950.00          | 3.00 %          |
| 65700 - HVAC Repairs                   | 4,410.00          | 4,410.00          | .00 %           |
| 66200 - Alarm System Maint             | 2,500.00          | 2,500.00          | .00 %           |
| 66950 - Repairs Electric               | 420.00            | 420.00            | .00 %           |
| 67400 - Repairs Plumbing               | 2,000.00          | 2,000.00          | .00 %           |
| 67500 - Repairs Roof                   | 2,500.00          | 2,500.00          | .00 %           |
| 67850 - Extermination                  | 1,300.00          | 1,300.00          | .00 %           |
| <b>Total Buildings</b>                 | <b>47,034.00</b>  | <b>48,232.00</b>  | <b>2.55 %</b>   |
| <b>Insurance &amp; Tax</b>             |                   |                   |                 |
| 80000 - Insurance                      | 38,000.00         | 37,239.00         | (2.00) %        |
| <b>Total Insurance &amp; Tax</b>       | <b>38,000.00</b>  | <b>37,239.00</b>  | <b>(2.00) %</b> |
| <b>Reserve Contributions</b>           |                   |                   |                 |
| 97000 - Reserve Contribution           | 57,285.00         | 57,285.00         | .00 %           |
| <b>Total Reserve Contributions</b>     | <b>57,285.00</b>  | <b>57,285.00</b>  | <b>.00 %</b>    |
| <b>Total Expense</b>                   | <b>763,517.00</b> | <b>786,137.00</b> | <b>2.96 %</b>   |



# Council of Co-Owners of Strathmore Tower Condominium

Bylaws





## **Bylaws**

**Council of Co-Unit Owners of Strathmore Tower Condominium, Inc.**

4/10/03

**AMENDMENT AND RESTATEMENT OF THE BY-LAWS  
OF  
STRATHMORE TOWER CONDOMINIUM**

ARTICLE I

PLAN OF OWNERSHIP

Section 1. Property Ownership. The Condominium, known as Strathmore Tower Condominium located at 6210 Park Heights Avenue, Baltimore, Maryland, has been submitted to the provisions of the Maryland Condominium Act and a regime has been established therefore, by the Master Deed and Declaration and By-Laws recorded among the Land Records of Baltimore City, Maryland in Liber number 2141, page 338. This Amendment and Restatement of the By-Laws supercedes the previously recorded By-Laws and any amendments thereto.

Section 2. Application of By-Laws. The terms, conditions, provisions and restrictions of these By-laws are applicable to the Condominium and to the use, occupancy, benefit and enjoyment thereof, and shall inure to the benefit of the co-owners and be binding upon said co-owners, their tenants, guests and other invitees, and any other person, firm or corporation using any facility of the property, except to the extent otherwise provided in paragraph 1 of Article VII of the Deed. The acceptance of any deed, lease, contract or other paper covering any interest in a condominium unit, or the use, occupancy, benefit or enjoyment of such unit, without further act, shall signify that the By-laws of the Condominium are approved and ratified and that the person accepting the deed, lease, contract or other paper shall comply with the terms, conditions, provisions and restrictions of the By-laws.

Section 3. Office. The principal office of the Condominium shall be located on the first floor of the building at 6210 Park Heights Avenue, Baltimore, Maryland 21215.

ARTICLE II

COUNCIL OF CO-OWNERS

Section 1. Annual Meetings. The annual meeting of the council of co-owners shall be held at the principal office of the Condominium in Baltimore, Maryland, twenty days before the close of the fiscal year, in every year, at 7:00 P.M. (or at such other hour and/or place within Baltimore City as may be affixed by the Board of Directors) for the election of directors and for the transaction of general business. If the date for the said annual meeting be a Saturday, Sunday, or legal holiday, then said annual meeting of the co-owners shall be held on the first day following which is not a Saturday, Sunday or legal holiday at the same hour. Such annual meetings shall be general meetings, i.e., open for the transactions of any business without special notice of such business.

Section 2. Special Meetings. Special meetings of the council of co-owners may be called at any time by the Board of Directors or by a majority of the co-owners, either by vote or in writing. Upon the written request of a majority of the co-owners, specifying the purpose, delivered to the Board of Directors, it shall be the duty of the Board of Directors forthwith to call a meeting of the council of co-owners. Notice thereof shall be given as provided in Section 3 of this Article II. No business other than that stated in the notice of the meeting shall be transacted at any special meeting of the council of co-owners, however called. Special meetings of the council of



co-owners shall be held at the principal office of the Condominium, or at such other place as may be fixed by the Board of Directors.

Section 3. Notice of Meetings. Ten days' written or printed notice of every annual meeting and every special meeting of the council of co-owners shall be given by the Board of Directors to each co-owner whose name appears as such upon the books of the Condominium as of the date of the notice. Such notices of annual or special meetings shall state the place, day and hour of such meetings, and, in the case of special meetings, shall also state the business proposed to be transacted thereat. Such notice shall be given to each co-owner by leaving the same with him/her or at his/her residence, or by mailing it postage prepaid and addressed to him/her at the address as it appears upon the books of the Condominium.

Section 4. Quorum. At any meeting of the council of co-owners, the presence in person or by proxy of a majority of co-owners at such meeting shall be necessary and sufficient to constitute a quorum for the election of directors or for the transaction of other business, and any such meeting may be adjourned from time to time until the transaction of business has been completed. In the absence of a quorum, the co-owners who shall be present in person or by proxy at any meeting (or adjournment) may, by vote of a majority of such co-owners, adjourn the meeting from time to time, but not for a period of over thirty days at any one time, by announcement at the meeting until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the meeting as originally notified.

Section 5. Proxies. Co-owners may vote either in person or by proxy, but no proxy, which is dated more than 60 days before the meeting at which it is offered shall be accepted unless such proxy shall on its face name a longer period for which it is to remain in force. Every proxy shall be in writing, subscribed by the co-owner or by his/her authorized attorney, and shall be dated, but need not be sealed, witnessed or acknowledged; each proxy shall be presented at the meeting and be then deposited with the Manager.

Section 6. Voting. At every meeting of the council of co-owners, every co-owner shall be entitled to that number of votes which shall equal his/her percentage interest factor, as determined under the provision of the Deed and registered in his/her name on the books of the Condominium on the date for the determination of voting rights at the meeting. Upon demand of ten percent (10%) of the co-owners present in person or by proxy, the votes for directors, or upon any questions before a meeting, shall be by ballot, and except in cases in which it is by statute, by the Deed, or by these By-laws otherwise provided, the vote of a majority of all co-owners present or by proxy shall be necessary and sufficient to elect and pass any measure. If the council of unit owners has recorded a statement of condominium lien on a unit and the amount necessary to release the lien has not been paid at the time of the meeting the unit owner of that unit shall be prohibited from voting at the meeting.

Section 7. List of Co-owners. Prior to each meeting of the council of co-owners, the Manager shall prepare a full, true and complete list of all co-owners entitled to vote at such meeting, indicating the number of votes to be cast by each, and shall be responsible for the production of such list at the meeting.

Section 8. Order of Business. At each annual meeting of the council of co-owners, the order of business shall be:

1. Organization and roll call.
2. Proof of notice of meeting or of waivers thereof. The certificate of the Manager of the Condominium, or the affidavit of any other person who mailed the notice or caused the same to be mailed, shall be accepted as proof of service of notice by mail.
3. Reading of unapproved minutes of preceding meetings and action thereon. However, the reading of the minutes can be dispensed by a majority vote without debate.
4. Reports of the Board of Directors, officers, committees, and any Manager employed by the Board or the council of co-owners.
5. Presentation and acceptance of Annual Budget, and the election of directors and employment or re-employment of a Manager.
6. Unfinished business.
7. New business.
8. Adjournment.

### ARTICLE III

#### BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Condominium shall be governed by a Board of Directors (Board) comprised of nine (9) members (Directors), each of whom shall be a co-owner, either in his/her own name, or as a joint tenant, tenant in common, tenant by the entirety or co-partner if his/her unit is held in a real property tenancy or partnership relationship,



or shall be an officer of a corporate co-owner, provided, however, that not more than one such tenant, co-partner, or officer of a co-owner holding title to the unit shall be qualified to serve as a director. The number of members fixed by these By-laws may, by a vote of a majority of the co-owners, be increased to not exceeding nine (9) or decreased to not less than five (5).

Section 2. Powers.

The Board of Directors shall have all rights and powers necessary to the administration of the affairs of the Condominium and may do and perform all matters, acts and things not expressly reserved to the council of co-owners. The powers of the Board of Directors shall include particularly, but not by way of limitation, the right to do the following:

(a) Supervise, manage, operate, examine, inspect, care for, preserve, repair, replace, restore and maintain the common elements; keep and maintain said elements in a clean, neat, trim, orderly, sanitary and safe condition, free of garbage, trash, rubbish and other refuse, free of insects, rodents, vermin and other pests, free from objectionable odors, and free of ice and snow. Procure all labor, material, services and utilities necessary or desirable to the foregoing; obtain all permits and licenses required for the property; comply with all laws, ordinances, rules and regulations of the Government of the United States, State of Maryland, or City of Baltimore, or any agency or subdivision of the foregoing, applicable to the maintenance and care of the common elements; and generally carry out all matters and things deemed necessary or advisable to the economic or efficient maintenance and operation of the Condominium.

(b) Employ all personnel necessary or desirable for the operation and management of the Condominium, including retention of plumbing and electrical and other contractors on a

twenty-four (24) hour, emergency basis to serve each co-owner and the council of co-owners; and engage any attorney or attorneys to handle the legal affairs of said Condominium, including collection of the common expenses due by any co-owner.

(c) Procure bids or otherwise establish the cost of all labor, materials, services, utilities and other items required for the operation, maintenance and care of the Condominium, and the convenience of the co-owners; review and analyze all cost and expense factors arising out of or otherwise related to the property, together with the benefits and advantages to be derived therefrom; determine and fix a detailed annual budget for the Condominium, and upon the establishment of such budget by council of co-owners approval, assess and collect the funds therefore as a common expense.

(d) Review and consult with the co-owners relative to the benefits and advantages to be derived from the purchase or lease of an interest in any unit by the council of co-owners and, upon approval of sixty (60%) percent of such co-owners, carry out such purchase or lease in any manner deemed expeditious, and if necessary, levy a special assessment and collect the funds as a common expense for the purchase or lease of an interest in a condominium unit by or for the benefit of the council of co-owners.

(e) Adopt reasonable rules and regulations, not inconsistent with the Deed or By-laws, for the care and preservation of the common elements, the comfort, health, safety and general welfare of the co-owners, and the efficient operation of the Condominium.

(f) Establish and maintain an accurate and efficient cash and accounting system, make collections and deposit of funds in such banks, trust companies, or other depositories as the Board shall from time to time approve, verify and account for all receipts and expenditures involved in the operation of the Project, approve or disapprove all requisitions, bills, statements

and vouchers, pay all costs and expenses incurred in the operation and maintenance of the property, designate signatories to which bank or other accounts shall be subject, keep and preserve at the principal office of the Condominium, books, accounts and records covering the operation of the property, and execute and file any statement, certificate, affidavit, return or other forms required to be filed with the Federal, State, or local government in connection with any income or unemployment, social security or employee benefit tax, or the withholding of any tax, or any information relative to the foregoing, and prepare and submit such account or accounts of the financial condition of the Condominium as may from time to time be required or advisable.

(g) Purchase, lease or otherwise acquire on behalf of the council of co-owners, with the prior written consent of sixty (60) per cent of such co-owners, an interest in any condominium unit offered for sale or lease, whether at public or private sale; designate the person, firm or corporation to take and hold title to such interest for the benefit of the co-owners; and sell, lease, mortgage, convey or otherwise dispose of any interest in a condominium unit acquired by the co-owners, upon such terms and conditions, and at such price, as shall be approved by a majority of the co-owners.

(h) Procure and maintain all policies of insurance required by these By-laws, or by the council of co-owners, or otherwise deemed advisable; designate a trustee or trustees, or other person, firm or corporation as the nominal beneficiary of any policy, to hold proceeds payable thereunder for the use and benefit of the council of co-owners; negotiate and adjust any loss occurring under any policy of insurance; and make any repair, replacement or restoration of the property damaged or destroyed by fire or other casualty insured against.



Section 3. Manager. The Board of Directors, on behalf of the council of co-owners, may employ a Manager for the Condominium and delegate to such Manager selected powers conferred upon the Board under Section 2 of Article III of these By-laws, so that the Manager shall thereupon have such rights and powers of the Board necessary to the administration of the affairs of the Condominium and do and perform those matters, acts and things not expressly reserved to the council of co-owners, provided, however, that no assessment or levy of any common expense, and no adoption or amendment of any rule or regulation for the Condominium, shall take effect until approved by the Board of Directors, or if there be no Board, by the council of co-owners.

Section 4. Election and Term of Office. At the annual meeting of the council of co-owners in 2002, five (5) members of the Board of Directors shall be elected, and in 2003, four (4) shall be elected. Thereafter, the number of directors to be elected shall be equal to the number of directors whose terms have expired. The term of office of all directors shall be fixed at two (2) years. A candidate for election to the Board of Directors shall be a co-owner for one (1) year. Each director elected at any annual meeting shall hold office until his/her successor shall have been elected and qualified, or until he/she shall die or resign or shall have been removed.

Section 5. Vacancies. If any director shall die or resign, or if the council of co-owners shall remove any director without appointing another in his/her place, a majority of the remaining directors, although such majority is less than a quorum, may elect a successor to hold office for the unexpired portion of the term of the director whose place shall become vacant and until his/her successor shall have been duly chosen and qualified. Vacancies in the Board of

Directors created by an increase in the number of directors may be filled by the vote of a majority of the Board as constituted prior to such increase, and directors so elected to fill such vacancies shall hold office until the next succeeding annual meeting of the council of co-owners and, thereafter, until their successors shall be elected and qualified.

Section 6. Removal. At any meeting of the council of co-owners called for that purpose, any director may, by a majority of the co-owners, be removed from office with cause, and another may be appointed in the place of the person so removed to serve for the remainder of his/her term.

Section 7. Regular and Special Meetings. Within seven (7) days after the annual meeting of the council of co-owners, the Board of Directors shall meet at such time and place as shall be fixed by the Board President at said annual meeting, and no written notice to the directors shall be necessary, or if no time and place was fixed for such meeting at the annual meeting of co-owners, then the Board shall meet on or before the seventh day following such annual meeting at 7:00 P.M., at the principal office of the Condominium, or at such other hour or place within the Condominium as may be fixed by the President. In addition to the foregoing first meeting, regular meetings of the Board shall be held at such other time and place as may be fixed from time to time by a majority of the directors, but at least six (6) such meetings shall be held within each fiscal year of the Condominium. Special meetings of the Board of Directors may be called by the President or by a majority of the directors either in person or by vote. Notice of the place, day and hour of every regular and special meeting shall be given to each member in writing, either mailed to him/her, postage prepaid, or delivered to him/her personally or left at

his/her residence not later than the second day before the day fixed for the meeting, or by telephone not later than the day before the day set for the meeting. No notice of the time or place of the meeting need be given to any member who in writing, executed and filed with the records of the meeting either before or after the holding thereof, waives such notice, or, in fact, attends the meeting.

Section 8. Quorum. A majority of to Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at every meeting of the Board, but if at any meeting there be less than a quorum present, a majority of those present may adjourn the meeting from time to time, but not for a period of over ten (10) days at any one time, without notice other than by announcement at the meeting, until a quorum shall attend. At any such adjourned meeting at which a quorum shall be present, any business may be transacted which may have been transacted at the meeting as originally notified. All questions shall be decided by a majority of the elected Board of Directors present, but on request of any director the yeas and nays shall be taken and entered in the minutes.

Section 9. Informal Action. Any matter, act or thing required or permitted to be taken at any meeting of the Board of Directors may be taken without such meeting if a written consent to such action, matter or thing is signed verbally by all the directors and such written consent is filed with the minutes of the proceedings of the Board of Directors.

Section 10. Compensation. No director, as such, shall receive any monetary compensation for his/her services.



Section 11. Fidelity Bonds. The Board of Directors shall procure and maintain adequate fidelity bonds for all officers and employees of the Condominium, including the Manager, handling or responsible for any funds of the co-owners. The premiums on such bonds shall constitute a common expense.

Section 12. Assemblies of the Council of co-owners and Board of Directors shall be conducted and governed in accord with parliamentary procedures of Roberts Rules of Order.

ARTICLE IV

OFFICERS

Section 1. Executive Officers. The executive officers of the Condominium shall be a president, a vice-president, a secretary and a treasurer, each of whom shall be a member of the Board of Directors, and such other officers as the Board from time to time considers necessary for the proper conduct of the affairs of the Condominium. The executive officers shall be elected annually by the Board of Directors at its first meeting following the annual meeting of the council of co-owners. Each such officer shall hold office for a term of one (1) year, and thereafter, until his/her re-election, death, resignation or removal.

Section 2. President. The President shall be the chief executive officer of the Condominium. He/she shall, when present, preside at all meetings of the council of co-owners and Board of Directors; he/she shall have the power of general management and direction of the affairs of the Condominium, subject to the control of the Board of Directors. He/she shall, in general, have the

right to perform all acts incident to his/her office or which may be prescribed by the Board. He/she shall also prepare or cause to be prepared a full and true statement of the affairs of the Condominium, which shall be submitted at the annual meeting of the council of co-owners; and shall be filed within ten (10) days thereafter at the principal office of the Condominium.

Section 3. Vice-President. In the absence, inability or disqualification of the President, the Vice-President shall have the right to perform all acts incident to the office of the President, and when so acting shall have all the powers of the President.

Section 4. Secretary. The Secretary shall keep or cause to be kept the minutes of the meetings of the council of co-owners and of the Board of Directors in books provided for the purpose; he/she shall see that all notices are duly given in accordance with the provisions of the By-laws; he/she shall be the custodian of the records of the Condominium; and, in general, he/she shall have the right to perform all acts ordinarily incident to the office of a secretary, and such other acts as, from time to time, may be assigned by the Board of Directors, or by the President.

Section 5. Treasurer. The Treasurer shall have charge of all funds, securities, receipts and disbursements of the Condominium, whether common expenses, or other funds, and shall deposit, or cause to be deposited, in the name of said Condominium, all monies or other valuable effects in such banks, trust companies or other depositories as shall, from time to time, be selected by the Board of Directors; he/she shall keep, or cause to be kept, a just, true and correct copy of all receipts and expenses, and he/she shall make, or cause to be made, and submit an account of the financial condition of the Condominium when so requested by the President,

Vice-President, or by resolution of the council of co-owners, or the Board of Directors; and he/she shall make, or cause to be made, all reports, financial or otherwise, now or hereafter required by law; ordinarily incident to the office of a treasurer, and such other acts as may be assigned by the Board of Directors, or by the President.

Section 6. Assistant Officers. The Board of Directors may elect one or more Assistant Secretaries and one or more Assistant Treasurers. Each such Assistant Secretary and Assistant Treasurer shall hold office for such period and shall have such authority and perform such duties as the Board may prescribe.

Section 7. Subordinate Officers. The Board of Directors may elect such subordinate officers as it may deem desirable. Each such officer shall hold office for such period and shall have such authority and perform such duties as the Board may prescribe.

Section 8. Delegation of Duties. In the absence, inability or disqualification of any officer, other than the President, the duties of such officer shall be discharged by his/her assistant or associate officer, if any there be, or, no other arrangements having been made for the performance of such duties, the President may delegate the powers and duties of such officer to another officer or director or may appoint some other person to act in the stead of such officer until his/her place shall be filled by the Board of Directors. Further, any and all duties of any officer of the Condominium, including the President, may be delegated to a Manager employed by the Board of Directors or by the council of co-owners.

Section 9. Compensation. No officer of the Condominium may receive any compensation for his/her services as such officer. Any Manager, however, its agents, or employees, performing any duty of any officer of the Condominium may be compensated for such performance or services at the common expense of the co-owners.

Section 10. Removal. The Board of Directors shall have power at any regular or special meeting to remove any officer, with cause, and such action shall be conclusive on the officer so removed.

Section 11. Vacancies. The Board of Directors at any regular or special meeting shall have power to fill a vacancy occurring in any office for an unexpired portion of the term.

Section 12. Contracts, Agreements and Other Instruments. No deed, mortgage, bond, bill of sale, assignment, contract, agreement, or any other instrument or document, including any check, bill of exchange and promissory note, intended to bind the council of co-owners of the Condominium, shall be valid or binding unless signed by any two officers of the Condominium, one of whom shall be President or Vice President, or by the Manager with Board approval.

## ARTICLE V

### LIMITED LIABILITY AND INDEMNITY OF OFFICERS AND DIRECTORS

No officer or director of the Condominium shall be liable to any co-owner for any mistake in judgment, negligent or otherwise, unless attributable to willful misconduct or bad faith. Further, no officer or director shall be personally liable for any agreement made by such



officer or the Board of Directors on behalf of the council of co-owners or the Condominium; and subject to the limitation hereinafter set forth, the co-owners shall indemnify and hold each officer of the Condominium and each member of the Board of Directors harmless from and against all personal liability under any agreement, provided such agreement is made in good faith and in accordance with the provisions of the Deed and of these By-laws.

The responsibility or liability of any co-owner to any third party, any officer of the Condominium, or to the members of the Board of Directors, under any contract made by such officer or the Board, or under any indemnity to the officers and directors on account thereof, shall not exceed his/her percentage interest factor of the total liability. Further, each agreement made by the officers of the Condominium or by the Board of Directors on behalf of the council of co-owners or the Condominium shall provide that such officers and the Board are acting solely as agent for the co-owners and that the responsibility or liability of each co-owner upon said agreement shall not exceed such portion of the total liability under the contract as shall equal the interest of such co-owners in the common elements (his/her percentage interest factor).

#### ARTICLE VI

#### COMMON EXPENSES

Section 1. Assessments. The fiscal year for operation of the Condominium shall consist of twelve (12) calendar months, commencing on November 1. Not later than the fifteenth day of September in each such year, the Board of Directors shall estimate the total common expenses required for the operation and maintenance of the Condominium during the ensuing year, including particularly, but not by way of limitation, all sums required to provide labor, materials, services, utilities and insurance for the operation, maintenance and care of the property and the

convenience deemed desirable to the use and enjoyment thereof, together with a reasonable amount deemed necessary by the Board of Directors as an operating reserve for contingencies and a reserve for repair and replacement of the common elements. At least thirty (30) days notice shall be given to each co-owner, in writing, of the aggregate estimated common expenses for the coming fiscal year and such co-owner's proportionate share thereof, based on his/her percentage interest factor. On or about the succeeding fifteenth day of October, the Board shall finally determine and assess the common expense, and formally levy against each co-owner his/her share thereof, in accordance with his/her percentage interest factor, by noting the assessment and levy on the books of the Condominium and submitting a written billing to the co-owner for the sum due by him/her. The assessment levied against each co-owner under the provisions of this section shall constitute a lien against his/her condominium unit as of the first day of November.

The failure or delay of the Board of Directors to prepare an estimate or determine the common expenses for any year, or notify any co-owner of the total common expenses for the Condominium, or of such co-owner's proportionate share of the common expenses, shall not in any manner constitute a waiver or release of the co-owner's obligation to pay his/her share of the common expenses whenever the same may be determined or assessed. In the absence of an annual determination of the common expenses or a formal assessment against the co-owners, each co-owner shall continue to pay the monthly sum due by him/her on the first day of the month in which an assessment or levy had been made.

Section 2. Reserve Funds. The Board of Directors may establish and maintain a reasonable reserve operating fund and a reserve repair and replacement fund. Such reserves shall be

deposited in a special account, but may be invested in obligations only guaranteed as to principal by the United States of America, State of Maryland, or the Mayor and City Council of Baltimore. Reserve funds are for the purpose of defraying extraordinary expenditures not originally included in the annual determination of common expenses; making repairs and replacements to the common elements; acquiring an interest in any condominium unit, and paying any other costs agreed upon by a majority of the co-owners.

Section 3. Additional Assessments. If the Board of Directors at any time determines that the common expenses assessed under the provisions of Section I, or the reserve funds established and maintained under Section 2, of this Article VI, are inadequate, or that additional funds are otherwise required for the operation and maintenance of the Condominium, it may assess such further sums, as common expenses, as it may deem necessary and levy the same against each co-owner in accordance with his/her percentage interest factor. The assessment levied against each co-owner under the provisions of this Section shall constitute a lien against his/her condominium unit as of the fifteenth day after levy of the assessment and notice thereof to the co-owner.

Section 4. Payment of Common Expenses. Each co-owner shall be obligated to pay to the Board of Directors, or its designee, the common expenses levied against him/her by the Board of Directors under the provisions of Section I or Section 3 of this Article V, or otherwise, as follows:

- (a) The annual assessment levied under the provisions of Section I of this Article VI shall be paid in twelve (12) equal successive monthly installments, commencing on the first day of

November, for which levied, and continuing on the first day of each and every month thereafter until fully paid; provided, however, that upon default in the payment of any installment of said assessment on its due date, the entire unpaid principal balance thereof may be accelerated, at the option of the Board of Directors, so that said entire assessment shall forthwith be due and payable. In the event the assessment is less than twelve (12) months, it shall be paid for the months assessed.

(b) Any additional assessment levied under the provisions of Section 3 of this Article VI, or otherwise, shall be due and payable fifteen (15) days after the date of levy of such assessment and notice thereof to the co-owner, or at such other time or times as may be provided by the Board of Directors in making the assessment.

Section 5. Collection of Common Expenses.

(a) Monthly payments of common expense installments are due to be received by the fifteenth day of each said month. In the event that such payments are not postmarked by the fifteenth day of each month, a late charge of 10% of the amount due shall be imposed. On all unpaid assessments, interest will accrue at the rate of 18% per annum from the due date.

(b) If there be any default in payment of the common expenses and/or assessment, in the manner and at the time or times provided therefore in Section 4 of this Article VI, and same shall continue for a period of sixty (60) days, the Board of Directors shall have the immediate right: (1) to institute suit for collection of the sum due, with interest thereon, computed at the rate of eighteen (18%) percent per annum, accounting from the date of default; or (2) enforce against the condominium unit of the defaulting co-owner the lien of the unpaid assessment, with interest thereon, through foreclosure or otherwise, as permitted under the Maryland Condominium Act;

or (3) both institute suit for collection of the unpaid assessment and enforce the lien of such assessment, provided that there be but one satisfaction of the claim.

(c) The Board of Directors shall also have the right to collect reasonable attorney's fees incurred in the collection efforts, as well as all related costs, including the cost of a title report.

(d) The foregoing enumeration of the rights of the Board of Directors is made in furtherance, and not in limitation, of the rights and remedies conferred by law upon the Board or the council of co-owners to collect the common expense or enforce any lien against the unit of a defaulting co-owner, and is not intended, by mention of any particular right or remedy, to limit or restrict the Board of Directors, which shall have all powers and rights necessary or convenient for collection of the common expenses.

Section 6. Notice. The provisions of this Article VI shall be deemed notice as to the existence of a Declaration in Trust for the enforcement of the lien for common expenses.

## ARTICLE VII

### BOOKS AND RECORDS

The Board of Directors shall keep the books of the Condominium, with detailed accounts in chronological order, noting all receipts and expenditures affecting the property and its administration, and specifying the maintenance and repair expenses of the common elements and any other expenses incurred. A separate account shall be maintained for each condominium unit, showing the amount of each assessment of common expenses against such unit, the date or dates same may be due, the amount paid thereon, and the unpaid balance thereof. The books, together

with all bills, statements and vouchers accrediting the entries made thereupon, shall be available for examination by the co-owners, their duly authorized agents, attorneys or mortgagees at normal business hours. All books and records of the Condominium shall be kept in accordance with good accounting practice, and an outside audit shall be made at least once a year.

Promptly after the close of each fiscal year, an annual report of the receipts and expenditures of the Condominium, certified by an independent accountant, shall be rendered by the Board of Directors to each co-owner and any mortgagee thereof requesting the same.

In addition to keeping the foregoing financial books and records, the Board of Directors shall keep detailed records of its actions, minutes of its meetings and minutes of meetings of the council of co-owners.

## ARTICLE VIII

### INSURANCE

#### Section 1. Protective Policies.

(a) A policy or policies insuring the building against loss, damage or destruction by fire or other casualty, including lightning, windstorm, hail, explosion, riot, civil commotion, aircraft, vehicle, falling object, smoke, malicious mischief, vandalism, collapse through weight of snow, ice or sleet, water, and other similar casualty, in an aggregate amount equal to the full insurable replacement value of the building, without regard to depreciation. The policy or policies, unless otherwise insuring the condominium units against loss, damage or destruction, shall have a contingent or conditional endorsement, with limits equal to the replacement value of the condominium units, providing for payment by the insurer of a sum sufficient for restoration of each unit to a tenantable condition, in the event that the owner thereof shall fail or refuse to restore his/her unit within reasonable time after loss, damage or destruction of such unit, by fire



or other casualty insured against. In lieu of the foregoing insurance, the Board of Directors may procure and maintain such other insurance against loss, damage or destruction of the common elements and the condominium units, as shall give substantially equal or greater protection to the co-owners, as their interest may appear.

(b) Boiler and machinery, elevator, and plate glass insurance; and such other insurance as the Board of Directors may deem advisable for the protection of the common elements.

(c) Such insurance as will protect the council of co-owners, and each co-owner, from claims under workmen's compensation acts and other employee benefit acts.

(d) Such insurance as will protect the Manager, the Board of Directors, the council of co-owners and each co-owner, from claims for damage because of bodily injury, including death, to all others, including employees of the insured, and from claims for damage to property, any or all of which may arise out of or result from ownership of any interest in the Condominium or the management or operation of said Condominium, or because of any injury or damage sustained on or attributable to the property, including the ownership, maintenance and use of the underground garage and parking areas outside the building, and the ownership, maintenance or use of any automobile for the purpose of garage or parking operations. It is intended that the insurance described in this subparagraph be a comprehensive general liability policy endorsed to protect each co-owner and the council of co-owners against all liability arising out of or otherwise attributable to the property, including operation of the premises, elevators and garage thereon, products liability, liability attributable to work or other act of an independent contractor, or let or sub-let work, landlords-tenants liability, and contractual liability. Further, the insurance shall cover the liability of one or more co-owner as parties insured to one or more of the remaining co-owners, though also parties insured. Such public liability insurance shall be in the

limits of at least \$500,000.00 for injuries or damages sustained by any one person, \$5,000,000.00 for injuries or damages sustained by two or more persons in any one accident, and \$100,000.00 for property damage. The public liability insurance policy shall be so endorsed as to protect the insured against liability imposed or assumed by any contract.

(e) In all events, each policy of insurance procured under this Section I of Article VIII shall contain a waiver of the insurer's subrogation rights against each co-owner, and a waiver of any defense maintainable by the insurer by reason of any co-insurance provision of any policy or by reason of any act or neglect of any co-owner, whether before or after the loss, damage or destruction may occur. Further, each policy of insurance shall provide that any co-owner in his/her own right may procure insurance, fire, casualty, liability or otherwise, and that such other insurance shall in no wise serve to reduce, abate, diminish or cause any proration in payment of the total loss by the insurer. Each policy of insurance procured under paragraphs (a) or (b) of this Section I shall state that the exclusive right and authority to adjust losses under the policy shall be vested in the Board of Directors.

Nothing provided in this Article VIII shall prejudice the right of any co-owner to insure his/her condominium unit on his/her account and for his/her own benefit, or to insure himself/herself to others.

Section 2. Repairs and Replacement. Unless more than two-thirds (2/3rds) of the building is destroyed, the proceeds of any insurance policy procured under the provisions of paragraph (a) or (b) of Section I of this Article VIII shall be applied to repair, restore and reconstruct the common elements destroyed by the casualty insured against and thereafter, if there be any surplus, to repair or restore the condominium units damaged by said casualty. If the proceeds of

insurance are insufficient to cover the cost of any necessary repair, replacement or restoration of the common elements, such excess costs shall be paid by the council of co-owners as a common expense, upon special assessment therefore and levy thereof by the Board of Directors against each co-owner in accordance with his/her percentage interest factor.

Section 3. Disbursement of Insurance Proceeds. If more than two-thirds (2/3rds) of the building is destroyed, the proceeds of all insurance policies shall be paid as follows: If three-fourths (3/4ths) of the co-owners shall waive and terminate the Condominium regime so that the restriction against partition and division of the co-ownership shall no longer apply, the proceeds of all insurance shall be divided among the co-owners, pro rata, in accordance with the percentage interest factor of each co-owner; but if three-fourths (3/4ths) of the co-owners shall fail to waive and terminate the [horizontal] property regime so that the restraint against partition and division of the co-ownership shall remain in full force and effect, the proceeds of all insurance shall be divided among the co-owners, pro rata, in accordance with the loss, harm and damage sustained by each co-owner. In each instance, all liens on the unit of any co-owner shall first be paid out of the share of the proceeds payable to such co-owner.

Section 4. Notice of Public Liability Insurance. The Board of Directors shall notify each co-owner as to whether or not public liability insurance is carried on the common elements.

ARTICLE IX

MAINTENANCE OF THE PROPERTY

Section 1. Common Elements. Except to the extent otherwise provided in Sections 2 and 3 of this Article IX, the Board of Directors shall maintain the common elements in good order, condition and repair, and the cost thereof shall be assessed to the council of co-owners as a common expense. Further, the Board of Directors may make any addition, alteration or improvement in or to the common elements, provided that fifteen (15) days notice of intent to make the same is furnished to each co-owner, and provided further that no such addition, alteration or improvement costing more than Fifteen Thousand Dollars (\$15,000.00) shall be made without prior approval of a majority of the co-owners. In all instances, the cost of any addition, alterations or improvement shall constitute a common expense assessable to the council of co-owners.

Section 2. Balconies and Terraces. The owner of a condominium unit from which a terrace, patio or balcony is solely accessible shall maintain such terrace, patio and balcony in good order, condition and repair and keep the same free and clear of snow, ice and any accumulation of water. No terrace, patio or balcony shall be enclosed, decorated, landscaped, covered by any awning or floor covering without the consent in writing of the Board of Directors.

Section 3. Condominium Unit. Each co-owner, at his/her own expense and cost, shall maintain his/her unit in good order, condition and repair. For the purpose of this Section, the term "unit" shall include the water and sewerage pipes or drains and other plumbing fixtures and facilities, the electric and telephone installations and doors, windows and glass in said unit, whether or not the foregoing constitute part of the common elements. Further each co-owner shall be responsible for all damage caused to the common elements or to any other unit by reason of

his/her failure to maintain his/her unit in accordance with the provisions of this section. Be it further understood that the care, repair, and/or replacement of all convectors located within units are the total responsibility of the unit owner. However, any air handling facility installed in certain units is considered to be a common element as set forth in paragraph f of Article 1 of the Master Deed of Declaration and is set to be maintained at the common expense of the co-owner.

Section 4. Structural Improvements. No co-owner shall make any structural addition, alteration, or improvement in or to his/her unit, without first procuring from the Board of Directors its written authorization therefore. The Board's approval of a proposed structural addition, alteration, or improvement in the unit shall be deemed granted if, within thirty (30) days after receipt of a written request therefore, setting forth the plans and specifications of the proposed addition, alteration, or improvement, the Board of Directors shall fail to deny said request.

Section 5. Public Utility Services. Water is furnished to all condominium units and the common elements through one or more meters held by the co-owners in common and the Board of Directors shall promptly pay, as a common expense, all charges for such water and all related sewer service charges. Electricity is likewise furnished to all units and the common elements, and bills for same shall be paid by the Board of Directors as a common expense. Gas is furnished to the common elements through a separate meter or meters designated for the property held in common, and the Board of Directors shall pay, as a common expense, the cost of the gas consumed or used.

## ARTICLE X

### PARKING AND STORAGE

The Board of Directors shall assign a designated parking space and storage locker to each co-owner for his/her exclusive use, subject to reasonable rules and regulations adopted by the Board for maintenance and operation of the garage and parking areas, and basement storage lockers. The parking space assigned to each co-owner, except owners of units 100, 101, 104 and 105, shall be located in the underground garage. All unassigned spaces in the parking area outside the building shall be for the use and enjoyment of the council of co-owners, in common, provided, however, that no co-owner shall use or cause to be used more than one such parking space. Parking spaces outside the building shall be reserved for the handicapped as prescribed by Law. The storage locker assigned to each co-owner shall be located in the basement of the building.

There shall be no change in or revocation of any assignment of a designated parking space or storage locker without the consent of the co-owner or owners affected thereby.

#### ARTICLE XI

##### RESTRICTIONS, RULES AND REGULATIONS

For the purpose of creating and maintaining an uniform scheme of development and operation of the Condominium for the benefit of each co-owner, his/her respective heirs and assigns, the property and each condominium unit shall be held subject to the following terms, conditions, provisions and restrictions:

(1.) The property and each condominium unit located thereon shall be used, occupied and maintained for residential purposes only, except and provided as follows:

(a) Any condominium unit or units located on the first floor of the building may be used as the office of a physician, dentist, architect, attorney or other professional person for the practice



of such profession, provided that the physician, dentist, architect, attorney or other professional person is authorized to maintain the office under the Zoning Laws and Regulations applicable in Baltimore City. No advertising sign or device, however, shall be displayed except a flat, ornamental, non-illuminated sign not to exceed one square foot in area may be placed against the exterior of the building for each office permitted under the provisions of this sub-paragraph.

(b) No condominium unit shall be occupied by more than one (1) family.

(c) An underground garage, partly in the basement of the building, and parking areas on the land may be maintained and operated for the parking of private, non-commercial automobiles. No vehicle shall be parked on the property except in a space or area provided for the parking of automobiles.

(d) The property shall not be used for any of the purposes set forth in subparagraph (a) hereof without the written consent and approval of the Board of Directors being first obtained.

2. No noxious or offensive trade or activity shall be carried on upon the property or in any condominium unit, nor shall anything be done upon the property or in any unit which may be or become a violation of any health, fire, police, or other governmental law, rule or regulations, or a nuisance or annoyance to the co-owners or neighborhood. Any violation of any law, order, rule, regulation or requirement of any governmental authority or agency shall be remedied by and at the sole cost and expense of the co-owner or co-owners whose unit or units are the subject of such violation.

3. No noise, disturbing to the co-owners, shall at any time be made upon the property or in any condominium unit, and nothing shall be done or permitted to be done in or about the property, or any unit, that interferes with, obstructs or violates the rights, reasonable comforts or convenience of the co-owners.

4. Nothing shall be kept in any condominium unit which may in any way increase the rate of fire insurance on the building or common elements beyond the rate established therefore when and as used for the purposes permitted under the Deed and By-laws; and further, nothing shall be done or permitted to be done that will conflict with any fire law, rule or regulation.

5. No cat, dog, bird, monkey or other animal or fowl shall be kept upon the property, without the written consent of the Board of Directors, nor shall any such animal or fowl, despite prior consent, be retained after notice from the Board of Directors to remove it from the property.

6. The walkways, halls, stairways and elevators shall be used for ingress and egress only; children shall not be permitted to play therein or thereon, nor shall same be used in any manner for permanent or temporary storage of any article of personal property, or of any bottles, trash or garbage, nor shall any of the foregoing ever be permitted to remain or stand in the halls or stairways. Lawns shall not be used for sunbathing, picnicking, play or similar purposes.

7. No portion of the common elements shall be in any manner defaced, nor shall same be utilized for the making of connections of any sort for radio, television, or other devices or equipment of any kind, all of which connections are specifically prohibited except to the ordinary outlets furnished within condominium units, and except additional electrical outlets which may be installed with the consent of the Board of Directors.

8. No vermin, insects, or other pests shall be allowed to remain in any condominium unit, nor shall any such unit be permitted to remain in an unclean or unsanitary condition. In order to assure compliance with this sub-paragraph, the Board of Directors, its agents, servants, employees and contractors may enter any room or any unit in the building, at any reasonable hour of the day, after reasonable notice, for the purpose of inspecting such room, or unit for the

presence of any vermin, insects or other pests, and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests.

9. Neither clothing, curtains, rugs, or other articles shall be shaken from or in any of the halls, windows, doors, landings, or balconies, nor shall anything be placed on outside window or balcony sills, ledges, or railings, or thrown from windows or balconies, nor shall any signs of any kind be displayed upon the property except to the extent permitted under paragraph 1 (a) of this Article XI. Further, no cooking shall be permitted on patio, terrace or balcony. No corridor doors shall remain open, except when in actual use for ingress or egress to or from the corridors or hallways. Window coverings shall be only white or off-white in color.

10. No co-owner shall violate any rule or regulation now or hereafter adopted by the Board of Directors or a majority of the council of co-owners for the safety, care, maintenance, good order and cleanliness of the property, including rules and regulations applicable to parking and to deliveries by or to the co-owners.

11. All of the aforesaid restrictions, rules and regulations shall be held and construed to run with and bind the property and each condominium unit located thereon, and all owners and occupants of such units, their respective heirs and assigns, forever. Said restrictions, rules and regulations shall inure to the benefit of and be enforceable by the council of co-owners, the Board of Directors, or any co-owner against anyone violating or attempting to violate any of said restrictions, rules or regulations. Enforcement may be by appropriate legal proceedings, either an action at law for damages, or a suit in equity to enjoin a breach or violation, or enforce performance, of any restriction, rule or regulation. Further, the Board of Directors, for itself, its agents, servants, employees and contractors, after notice to a co-owner of any breach or violation of any restriction, rule or regulation within his/her unit and his/her failure to correct the same

within a reasonable time thereafter, shall have the right to enter the condominium unit of the defaulting co-owner and, at his/her expense, summarily abate or remove the breach or violation occurring in his/her unit.

ARTICLE XII

DISPUTE SETTLEMENT MECHANISM

In accord with The Maryland Condominium Act Title 11-113- procedure prior to imposition of sanction for rule violation - the council of unit owners or Board of Directors may not impose a fine, suspend voting, or infringe upon any other rights of a unit owner or other occupant for violation of rules until the following procedure is followed:

(1) Written demand to cease and desist from an alleged violation is served upon the alleged violator specifying:

(a) The alleged violation; (b) The action required to abate the violation; and (c) A time period, not less than ten (10) days, during which the violation may be abated without further sanction, if the violation is a continuing one or a statement that any further violation of the same rule may result in the imposition of sanction after notice and hearing if the violation is not continuing.

(2) Within twelve (12) months of the demand, if the violation continues past the period allowed in the demand for abatement without penalty or if the same rule is violated subsequently, the Board serves the alleged violator with written notice of a hearing to be held by the Board in session. The notice shall contain:

(a) The nature of the alleged violation; (b) The time and place of the hearing, which time may be not less than ten (10) days from the giving of the notice; (c) An invitation to attend the

hearing and produce any statement, evidence and witnesses on his or her behalf; and (d) The proposed sanction to be imposed.

(3) A hearing occurs at which the alleged violator has the right to present evidence and present and cross-examine witnesses. The hearing shall be held in executive session pursuant to this notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. This proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer or director who delivered the notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(4) A decision pursuant to these procedures shall be appealable to the courts of Maryland.

(a) **LIABILITY FOR DAMAGES: INJUNCTION.** - If any unit owner fails to comply with this title, the declaration, or By-laws, or a decision rendered pursuant to this section, the unit owner may be sued for damages caused by the failure or for injunctive relief, or both, by the council of unit owners or by any other unit owner. The prevailing party in any such proceeding is entitled to an award for counsel fees as determined by court.

(b) **EFFECT OF FAILURE TO ENFORCE PROVISIONS.** - The failure of the Council of Unit Owners to enforce a provision of this title, the declaration, or By-Laws on any occasion is not a waiver of the right to enforce the provision on any other occasion.

Article XIII

MORTGAGES

Section 1. Information to Mortgagee. Upon written request of any mortgagee, the Board of Directors shall furnish to such mortgagee any information to which the owner of the mortgaged unit may be entitled, including information as to the status of any assessment, the payment of common expenses and performance of any obligation imposed under the Deed or these By-Laws.

ARTICLE XIV

RESIDENT AGENT

The post office address of the principal office of Strathmore Tower Condominium is 6210 Park Heights Avenue, Baltimore, Maryland 21215. The name and address of the Resident Agent for Strathmore Tower Condominium in this State is Jonas Brodie, 105 W. Chesapeake Avenue, Suite 303, Towson, MD. 21204. Such agent is a resident of the State of Maryland, and is authorized to accept service of process in any action relating to two or more condominium units or to the common elements.

The name and address of the Resident Agent of the Condominium shall be filed with the Department of Assessments and Taxation of the State of Maryland. Said agent may be changed from time to time by a majority of the co-owners, all in the same manner and to the same extent as resident agents are now replaced for corporations.

4/3/8



ARTICLE XV

GENERAL PROVISIONS

Section I. Notice. All notices required or permitted to be given under the Deed or these By-laws shall be deemed to be properly served if sent by registered or certified mail: to the Board of Directors, c/o Manager of Strathmore Tower Condominium, 6210 Park Heights Avenue, Baltimore, Maryland 21215; to each unit owner, at his/her unit, 6210 Park Heights Avenue, Baltimore, Maryland 21215.

Section 2. Waiver. The failure of the council of co-owners, or any co-owner, or the Board of Directors, or the Manager, in any one or more instances, to enforce or otherwise insist upon the strict performance of any restriction, condition, obligation or provision of these By-laws, or the failure of any such party to exercise any right, shall not be construed as a waiver or relinquishment for the future, whether in the same or in any other instance or occasion, of the benefit of such restriction, condition, obligation, provision or right, but the same shall remain in full force and effect.

Section 3. Captions. Captions are inserted in these By-laws as a matter of convenience and to facilitate reference to the provisions hereof. Said captions are not intended to define, describe or limit the scope of these By-laws, or any term, condition, or provision hereof, and shall have no effect whatsoever in resolving any construction or interpretation of the By-laws.

Section 4. Amendment of By-Laws. These By-laws shall not be changed, modified, supplemented or rescinded except by the consent and approval of two-thirds (2/3rds) of the co-owners and subsequent recording among the proper Land Records of Baltimore City.

Section 5. Invalidity. If any term, condition or provision of these By-laws is held or determined to be invalid, the validity of the remainder of the By-laws shall not be affected thereby, but shall continue in full force and effect, as fully and to the same extent as if the invalid term, condition or provision had not been included herein. These By-laws are designed to comply with and properly supplement the Maryland Condominium Act and the Master Deed and Declaration establishing the Maryland Condominium Act regime and, if there be any conflict between the By-laws and any term, condition or provision of the Maryland Condominium Act, or between these By-laws and the Deed, the provision of the Act or Deed, as the case may be, shall prevail and control.

Section 6. New By-Laws. These amended and Re-Styled By-Laws supercede the previously revised By-Laws in their entirety.

4-10-03

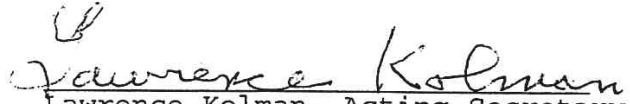
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CERTIFICATE OF SECRETARY  
OF STRATHMORE TOWERS CONDOMINIUM  
FILED PURSUANT TO SECTION 11-104  
OF THE REAL PROPERTY ARTICLE  
OF THE ANNOTATED CODE OF MARYLAND

I HEREBY CERTIFY AS FOLLOWS:

1. That I was the person designated pursuant to the By-Laws of Strathmore Towers Condominium (the "Condominium") to count and record the votes at the meeting of the Council of Unit Owners of the Condominium held on June 4, 2002.

2. That the Amendment and Restatement of the By-Laws of Strathmore Towers Condominium attached to this Certificate were duly approved by unit owners having the required percentage of the votes at a meeting of the Council of Unit Owners of the Condominium on June 4, 2002 and shall be effective upon recordation.

  
Lawrence Kolman, Acting Secretary  
Strathmore Towers Condominium  
September 14, 2002

# Council of Co-Owners of Strathmore Tower Condominium

Bylaws - Amendment



CITY OF BALTIMORE RECORDATION TAX  
EXEMPT DOCUMENT  
REVENUE COLLECTIONS  
DEPARTMENT OF FINANCE

*Gabriella Statterman* 2/19/2020  
Recordation Clerk Date

**THIRD AMENDMENT TO AMENDMENT AND RESTATEMENT OF THE BY-LAWS  
OF  
STRATHMORE TOWER CONDOMINIUM**

THIS THIRD AMENDMENT TO AMENDMENT AND RESTATEMENT OF THE BY-LAWS OF STRATHMORE TOWER CONDOMINIUM ("Third Amendment") is made this 26<sup>th</sup> day of November, 20 19, by the COUNCIL OF CO-OWNERS OF STRATHMORE TOWER CONDOMINIUM ("Council") as evidenced by the execution of this Third Amendment by the Secretary of the Board of Directors of the Council and the consent of at least sixty (60%) percent of unit owners.

WHEREAS, on or about October 24, 1966, the condominium known as Strathmore Tower Condominium ("Condominium") was established by the recordation of that certain Master Deed and Declaration Establishing a Horizontal Property Regime to be known as Strathmore Tower Condominium ("Declaration") in the Land Records for Baltimore City at liber 2141, folio 338;

WHEREAS, appurtenant to the Declaration and recorded contemporaneously therewith in the Land Records for Baltimore City at liber 2141, folio 357 is that certain By-Laws of Strathmore Tower Condominium ("By-Laws");

WHEREAS, on or about May 21, 2003, the Council did record that certain Amendment and Restatement of the By-Laws of Strathmore Tower Condominium ("Amended and Restated By-Laws") in the Land Records for Baltimore City at liber 3795, folio 483;

WHEREAS, on or about July 13, 2011, the Council did record that certain First Amendment to Amendment and Restatement of the Bylaws of Strathmore Tower Condominium ("First Amendment") in the Land Records for Baltimore City at liber 13627, folio 492; and

WHEREAS, on or about July 13, 2011, the Council did record that certain Second Amendment to Amendment and Restatement of the Bylaws of Strathmore Tower Condominium ("Second Amendment") in the Land Records for Baltimore City at liber 13627, folio 496.

NOW, THEREFORE, WITNESSETH:

That the aforementioned Amended and Restated By-Laws be and it hereby is amended as follows:

**PREAMBLE**

In order to effectuate the desire of the Council to restrict smoking within the Condominium, the Board of Directors has proposed this Third Amendment to ensure the health, safety, and comfort of the unit owners of the Condominium.

- 4318



NOW, THEREFORE, pursuant to the powers reserved to the Council in Article XV, Section 4 of the Amended and Restated By-Laws, and Section 11-104(e)(6) of the Maryland Condominium Act, this Third Amendment witnesseth:

Article XI, Section 12 is added to the Amended and Restated By-Laws as follows:

- (a) Effective upon recordation of this Amendment (the "Effective Date"), smoking shall be prohibited upon or within all portions of the Condominium Property, including all portions of the General Common Elements, Limited Common Elements, and Units. For the purposes of this section (12), "Smoking" shall mean the inhalation, exhalation, emitting, carrying, burning or smoldering of a lighted cigarette, cigar, pipe, hookah, electronic cigarette, mod, vape, tank system, electronic nicotine delivery system, pen, or any other apparatus, matter, or substance that contains tobacco, nicotine, water or gas vapor, marijuana, incense, sage, an illicit drug, or any other material that is burned, heated, or singed, or as otherwise defined by the Board of Directors from time to time. The smoking prohibition shall apply to all Unit Owners and their family members and occupants of their Unit, tenants, guests, contractors, invitees, and visitors to the Condominium. It shall be the responsibility of the Unit Owner to inform his/her family members, occupants, tenants, guests, contractors, invitees, and visitors of the smoking prohibition and to prohibit smoking by his/her family members, occupants, tenants, guests, contractors, invitees or visitors while on the Condominium Property, including all portions of the General Common Elements, Limited Common Elements, and Units.
- (b) In addition to and without limiting any right or remedy belonging to the Council under the Declaration, the Bylaws, the Rules and Regulations, or applicable law, in the event that a Unit Owner, his family member, occupant, tenant, guest, contractor, invitee, or visitor violates the provisions of this section (12), the Council, thru the Board of Directors, shall have the right to (A) impose fines or other sanctions in accordance with the provisions of Section 11-113 of the Maryland Condominium Act, and/or (B) institute suit for injunctive relief to enjoin the Unit Owner, his family member, occupant, tenant, guest, contractor, invitee, or visitor from continuing to violate the smoking prohibition. The Unit Owner shall reimburse the Council the reasonable attorney fees and related costs the Council incurred in the event the Unit Owner, his family member, occupant, tenant, guest, contractor, invitee, or visitor fail to comply with the prohibition of this section (12) after a written demand to do so is provided to the Unit Owner in accordance with Section 11-113 of the Maryland Condominium Act and such failure to comply requires the Council to institute enforcement action to compel compliance with the provisions of section (12).

IN WITNESS WHEREOF, the President and Secretary of the Board of Directors of the Council have caused this Third Amendment to be executed and sealed on behalf of the Council.

COUNCIL OF CO-OWNERS OF STRATHMORE TOWER CONDOMINIUM

*Nicole Brown* (SEAL)  
Nicole Brown  
President

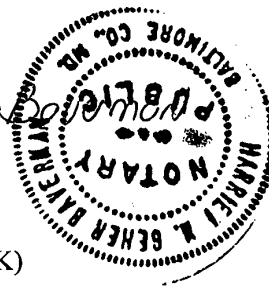
STATE OF MARYLAND:

County of Baltimore :

On this 22<sup>ND</sup> day of JANUARY, 2020, before me, Nicole Brown, the undersigned officer, personally appeared Nicole Brown, who acknowledged herself to be the president of Council of Co-Owners of Strathmore Tower Condominium, an unincorporated association, and that she, as such president, being authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing the name of the association by herself as president.

In witness whereof I hereunto set my hand and official seal.

*Harriet M. Geher*  
Notary Public Harriet M. Geher



My Commission Expires: OCTOBER 5, 2023

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COUNCIL OF CO-OWNERS OF STRATHMORE  
TOWER CONDOMINIUM

Carolyn Chissell (SEAL)  
Carolyn Chissell  
Secretary

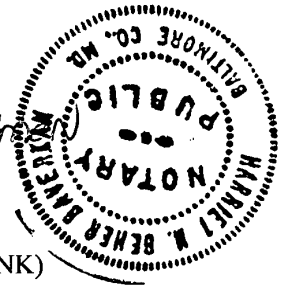
STATE OF MARYLAND:

County of Baltimore:

On this 22nd day of January, 2020, before me,  
Carolyn Chissell, the undersigned officer, personally appeared Carolyn  
Chissell, who acknowledged herself to be the secretary of Council of Co-Owners of Strathmore  
Tower Condominium, an unincorporated association, and that she, as such secretary, being  
authorized to do so, executed the foregoing instrument for the purposes therein contained, by  
signing the name of the association by herself as secretary.

In witness whereof I hereunto set my hand and official seal.

[Signature]  
Notary Public  
Harriet M. Geher-Bavortz



My Commission Expires: October 5, 2023

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**CERTIFICATE OF SECRETARY  
OF COUNCIL OF CO-OWNERS OF STRATHMORE TOWER CONDOMINIUM  
FILED PURSUANT TO SECTION 11-104 OF THE REAL PROPERTY ARTICLE OF  
THE ANNOTATED CODE OF MARYLAND**

I HEREBY CERTIFY AS FOLLOWS:

1. I am the person designated to pursuant to the Amendment and Restatement of the By-Laws of Strathmore Tower Condominium to count and record votes at the meeting of the Council of Co-Owners of Strathmore Tower Condominium ("Council") held on November 26, 2019, and any continuance thereof.

2. The Third Amendment to Amendment and Restatement of the By-Laws of Strathmore Tower Condominium ("Third Amendment") was duly approved by unit owners having the required percentage of votes at a meeting of the Council held on November 26, 2019, and any continuance thereof, such vote being reaffirmed as set forth herein and shall be effective upon recordation.

3. The Third Amendment was approved by thirty-seven (37) votes in favor of the Third Amendment, with no votes against the Third Amendment, and no abstentions thereto.

4. As of November 26, 2019, there were sixty (60) unit owners, of which fifty-nine (59) were eligible to vote.

5. The Third Amendment was approved by 61.67% of all unit owners of the Council and 62.71% of unit owners eligible to vote.

(SIGNATURE ON NEXT PAGE)

Carolyn Chissell (SEAL)  
Carolyn Chissell  
Secretary

STATE OF MARYLAND:

County of Baltimore :

On this 2nd day of January, 2020, before me,  
Carolyn Chissell, the undersigned officer, personally appeared Carolyn  
Chissell, who acknowledged herself to be the secretary of Council of Co-Owners of Strathmore  
Tower Condominium, an unincorporated association, and that she, as such secretary, being  
authorized to do so, executed the foregoing instrument for the purposes therein contained, by  
signing the name of the association by herself as secretary.

In witness whereof I hereunto set my hand and official seal.

[Signature]  
Notary Public  
Harriet M. Geher - Baltimore



My Commission Expires: October 5, 2023

THIS IS TO CERTIFY that this THIRD AMENDMENT TO AMENDMENT AND  
RESTATEMENT OF THE BY-LAWS OF STRATHMORE TOWER CONDOMINIUM was  
prepared by, or under the supervision of the undersigned, attorney duly admitted to practice  
before the Court of Appeals of Maryland.

[Signature]  
Timothy J. Larsen, Esquire

AFTER RECORDING, PLEASE RETURN TO:

OLIVERI & ASSOCIATES, LLC  
635 N. BESTGATE ROAD, SUITE 200  
ANNAPOLIS, MARYLAND 21401

4044

BALTIMORE CITY CIRCUIT COURT (Land Records) MB 21891, p. 0074, MSA\_CE164\_31048. Date available 02/28/2020. Printed 03/03/2020.



4318 <sup>RD</sup>

LR - Amendment 20.00  
 Recording fee  
 Name: COUNCIL OF  
 OWNERS / STRATHMORE  
 TOWER  
 Ref: STRATHMORE TOWER  
 CONDOMINIUM  
 LR - Amendment  
 Surcharge 40.00  
 Subtotal: 60.00  
 Total: 60.00  
 02/25/2020 02:21  
 CC24-DE  
 #13444741 CC0801 -  
 Baltimore City  
 Mltche11/CC08.01.14 -  
 Register 14

*[Handwritten signature]*  
02 of 02

State of Maryland Land Instrument Intake Sheet

Baltimore City  County: \_\_\_\_\_  
 Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only.  
 (Type or Print in Black Ink Only—All Copies Must Be Legible)

Space Reserved for Circuit Court Clerk Recording Validation

|   |  |   |  |  |   |              |  |                  |
|---|--|---|--|--|---|--------------|--|------------------|
| <b>1</b>  | <b>Type(s) of Instruments</b>  | <input type="checkbox"/> Check Box if addendum Intake Form is Attached.   |  |  |   |              |  |                  |
|   | <input type="checkbox"/> Deed<br><input type="checkbox"/> Deed of Trust<br><input type="checkbox"/> Mortgage Lease<br><input checked="" type="checkbox"/> Other By-law Amendment<br><input type="checkbox"/> Other _____ |   |  |  |   |              |  |                  |
| <b>2</b>  | <b>Conveyance Type</b>   | <input type="checkbox"/> Improved Sale Arms-Length [1]  | <input type="checkbox"/> Unimproved Sale Arms-Length [2] | <input type="checkbox"/> Multiple Accounts Arms-Length [3] | <input type="checkbox"/> Not an Arms-Length Sale [9]      |              |  |                  |
| <b>3</b>  | <b>Tax Exemptions (if applicable)</b>  | <input type="checkbox"/> Recordation<br><input type="checkbox"/> State Transfer<br><input type="checkbox"/> County Transfer<br>Cite or Explain Authority _____                  |  |  |   |              |  |                  |
| <b>4</b>  | <b>Consideration and Tax Calculations</b>  | <b>Consideration Amount</b>   |  | <b>Finance Office Use Only</b>                             |   |              |  |                  |
|   |  | Purchase Price/Consideration  | \$   | Transfer Tax Consideration                                 | \$  |              |  |                  |
|   |  | Any New Mortgage  | \$   | X ( ) % =  | \$  |              |  |                  |
|   |  | Balance of Existing Mortgage  | \$   | Less Exemption Amount                                      | - \$  |              |  |                  |
|   |  | Other:  | \$   | Total Transfer Tax   | = \$  |              |  |                  |
|   |  | Other:  | \$   | Recordation Tax Consideration                              | \$  |              |  |                  |
|   |  | Full Cash Value:  | \$   | X ( ) per \$500 =  | \$  |              |  |                  |
|   |  | TOTAL DUE   |  | \$   |   |              |  |                  |
| <b>5</b>  | <b>Fees</b>  | <b>Amount of Fees</b>   |  | <b>Doc. 1</b>  | <b>Doc. 2</b>   |              |  |                  |
|   |  | Recording Charge  | \$ 40.00   | \$   | \$  |              |  |                  |
|   |  | Surcharge   | \$ 20.00   | \$   | \$  |              |  |                  |
|   |  | State Recordation Tax   | \$   | \$   | \$  |              |  |                  |
|   |  | State Transfer Tax  | \$   | \$   | \$  |              |  |                  |
|   |  | County Transfer Tax   | \$   | \$   | \$  |              |  |                  |
|   |  | Other   | \$   | \$   | \$  |              |  |                  |
|   |  | Other   | \$   | \$   | \$  |              |  |                  |
|   |  | Agent:  |  |  |   |              |  |                  |
|   |  | Tax Bill:   |  |  |   |              |  |                  |
|   |  | C.B. Credit:  |  |  |   |              |  |                  |
|   |  | Ag. Tax/Other:  |  |  |   |              |  |                  |
| <b>6</b>  | <b>Description of Property</b>   | District  | Property Tax ID No. (1)                                  | Grantor Liber/Folio  | Map   | Parcel No.   | Var. LOG   |                  |
|   |  | Subdivision Name  |  | Lot (3a)   | Block (3b)  | Sect/AR (3c) | Plat Ref.  | SqFu/Acreage (4) |
|   |  | Strathmore Tower Condominium  |  | 4318   | 23  |              |  |                  |
|   |  | Location/Address of Property Being Conveyed (2)   |  |  |   |              |  |                  |
|   |  | Other Property Identifiers (if applicable)  |  |  |   |              |  |                  |
|   |  | Water Meter Account No.   |  |  |   |              |  |                  |
|   |  | Residential <input type="checkbox"/> or Non-Residential <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> or Ground Rent <input type="checkbox"/> Amount: |  |  |   |              |  |                  |
|   |  | Partial Conveyance? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Description/Amt. of SqFu/Acreage Transferred:   |  |  |   |              |  |                  |
|   |  | If Partial Conveyance, List Improvements Conveyed:  |  |  |   |              |  |                  |
|   |  |   |  |  |   |              |  |                  |
| <b>7</b>  | <b>Transferred From</b>  | Doc. 1 – Grantor(s) Name(s)   |  |  | Doc. 2 – Grantor(s) Name(s)                               |              |  |                  |
|   |  | Strathmore Tower Condominium  |  |  |   |              |  |                  |
|   |  | Doc. 1 – Owner(s) of Record, if Different from Grantor(s)   |  |  | Doc. 2 – Owner(s) of Record, if Different from Grantor(s) |              |  |                  |
| <b>8</b>  | <b>Transferred To</b>  | Doc. 1 – Grantee(s) Name(s)   |  |  | Doc. 2 – Grantee(s) Name(s)                               |              |  |                  |
|   |  | Strathmore Tower Condominium  |  |  |   |              |  |                  |
|   |  | New Owner's (Grantee) Mailing Address   |  |  |   |              |  |                  |
| <b>9</b>  | <b>Other Names to Be Indexed</b>   | Doc. 1 – Additional Names to be Indexed (Optional)  |  |  | Doc. 2 – Additional Names to be Indexed (Optional)        |              |  |                  |
|   |  |   |  |  |   |              |  |                  |
| <b>10</b>   | <b>Contact/Mail Information</b>  | Instrument Submitted By or Contact Person   |  |  |   |              | <input checked="" type="checkbox"/> Return to Contact Person |                  |
|   |  | Name: Timothy J. Larsen, Esq.   |  |  |   |              | <input type="checkbox"/> Hold for Pickup                     |                  |
|   |  | Firm Oliveri & Associates, LLC  |  |  |   |              | <input type="checkbox"/> Return Address Provided             |                  |
|   |  | Address: 635 N. Bestgate Road, Suite 200  |  |  |   |              |  |                  |
|   |  | Annapolis, Maryland 21401 Phone: (410) 295-3000   |  |  |   |              |  |                  |
| <b>11</b>   | <b>Assessment Information</b>  | IMPORTANT: BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER  |  |  |   |              |  |                  |
|   |  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Will the property being conveyed be the grantee's principal residence?                                      |  |  |   |              |  |                  |
|   |  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Does transfer include personal property? If yes, identify: _____  |  |  |   |              |  |                  |
|   |  | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Was property surveyed? If yes, attach copy of survey (if recorded, no copy required).                       |  |  |   |              |  |                  |
| <b>Assessment Use Only – Do Not Write Below This Line</b> |  |   |  |  |   |              |  |                  |
| Terminal Verification                                     |  | Agricultural Verification   |  | Whole  |   | Part         |  |                  |
| Transfer Number   | Date Received:   |   | Deed Reference:  |  | Assigned Property No.:                                    |              |  |                  |
| Year  | 20   | 20  | Geo.   | Map  | Sub   | Block        |  |                  |
| Land  |  |   | Zoning   | Grid   | Plat  | Lot          |  |                  |
| Buildings   |  |   | Use  | Parcel   | Section   | Occ. Cd.     |  |                  |
| Total   |  |   | Town Cd.   | Ex. St.  | Ex. Cd.   |              |  |                  |
| REMARKS:  |  |   |  |  |   |              |  |                  |
|   |  |   |  |  |   |              |  |                  |
|   |  |   |  |  |   |              |  |                  |

BALTIMORE CITY CIRCUIT COURT (Land Records) MB 21891, p. 0075, MSA\_CE164\_31048, Date available 02/28/2020, Printed 03/03/2020.

Space Reserved for County Validation

FEB 06 2020

**SECOND AMENDMENT TO AMENDMENT AND RESTATEMENT  
of the BYLAWS  
OF  
STRATHMORE TOWER CONDOMINIUM**

THIS SECOND AMENDMENT TO THE AMENDMENT AND RESTATEMENT OF THE BYLAWS OF STRATHMORE TOWER CONDOMINIUM, (this "**Amendment**"), made this 17<sup>th</sup> day of June, 2011, by the Council of Co-Owners of STRATHMORE TOWER CONDOMINIUM (hereinafter referred to as "**Council**") as evidenced by execution of this Amendment by the Secretary of the Council and the attached Consents of at least 66 2/3% of Unit Owners.

4318 WHEREAS, the Declaration Establishing a Horizontal Property Regime to be known as Strathmore Tower Condominium was recorded among the Land Records of Baltimore City in Liber 2141, Page 338 et seq. (the "**Declaration**"), the Amendment and Restatement of the Bylaws of Strathmore Tower Condominium were recorded as aforesaid in Liber 3795, Page 483 et seq. (the "**Bylaws**"), and condominium plats recorded among the Plat records of Baltimore City in Plat Pocket Folder 1970 (the "**Plats**") created Strathmore Tower Condominium; and WHEREAS, the Council by the Consent of at least 66 2/3% of Unit Owners, resolved to and did amend the Bylaws, to permit for restrictions on the leasing of units within the Condominium Project (the "**Condominium**").

NOW, THEREFORE, WITNESSETH:

That the aforementioned Bylaws be and it hereby is amended to provide as follows:

**PREAMBLE**

In order to effectuate the desire of the Council to restrict the leasing of units within the Condominium, the Board of Directors (the "**Board**") has proposed this Amendment to ensure the preservation of the character of the Condominium as predominately owner-occupied and to prevent the Condominium from assuming the character of an apartment building.

NOW, THEREFORE, pursuant to the powers reserved to the Council in Article XV, Section 4 of the Bylaws, this Amendment Witnesseth:

**BYLAW AMENDMENTS**

1. Article XI, Restrictions, Rules and Regulations, Paragraphs 10 and 11 shall be renumbered as Paragraphs 11 and 12 respectively.

2. There shall be added to the Bylaws, in Article XI, Restrictions, Rules and Regulations, the following new Paragraph:

"Paragraph 10, Restrictions on Leasing of Units:

(a). Leasing Restriction. Except as provided in Paragraph 1(a) of this Article, as of 15 days after the effective date of this amendment (the "**Effective Date**" is the date of recordation among the Land Records of Baltimore City), each unit within the Condominium shall be owner occupied. No unit shall be leased except as provided in this Article XI, Paragraph 10.

(b). Permissible Leases. Leasing of units is permitted under the following circumstances:

(1). For those units owned by a corporation, limited liability company, partnership, limited partnership, trust, or other entity recognized by Maryland law, a stockholder, member, partner, or beneficiary of said entities or the family members of such stockholder, member, partner or beneficiary, if any, of said entities, may occupy the unit as a lessee.

(2). Family members of the Unit Owner(s) may occupy a unit as a lessee.

(A). Family members shall include only the following: the husband, wife, mother, father, children (biological or legally adopted), sister, brother, grandparent(s), aunt, uncle, nephew or niece of the Unit Owner(s).

(3). A Unit Owner who sells his unit may lease his unit from the buyer of that unit for up to three (3) months from the date of settlement. Thereafter, the unit must be owner-occupied.

(4). At the sole discretion of the Board, a unit may be leased upon the showing of an extreme hardship on the part of the leasing Unit Owner. Such extreme hardship shall extend for a period of no more than one year, after which the lease shall terminate whether or not the hardship shall have terminated.

(c). Currently Leased Units. Units that are leased as of 15 days after the Effective Date may continue to be leased. A leasing Unit Owner shall provide a copy of such a lease to the Board prior to the Effective Date. Such leases may continue to their expiration, or, if the lease provides for the automatic renewal of the lease, until the lease is no longer renewed by the original tenants, after which time the Unit Owner may only re-lease his unit subject to the provisions stated in this Article XI, Paragraph 10.

(d). Currently Leased Units Without a Written Lease. A Unit Owner who is leasing his unit, as of 15 days after the Effective Date, without a written lease shall have ninety (90) days from said date to execute a written lease with his tenant and submit said lease to the Board. The written lease shall be for no longer than one (1) year. Such a lease may be executed with a tenant who is not specified as a tenant allowed to lease under this Article XI, Paragraph 10, Section (b). Such a Unit Owner and tenant must otherwise comply with the all other leasing requirements stated in this Article XI, Paragraph 10.

(e). Leased Unit Occupancy. In the case of any lease entered into after the Effective Date or later, a one bedroom unit may be occupied by no more than two persons, and a two or three bedroom unit may occupied by no more than four persons.

(f). Written Lease. A Unit Owner shall execute a written lease with his tenant. Except as provided in Section (b) (3) and (4) of this Paragraph 10, leases shall be for a term of not less than one year. The Unit Owner shall provide an executed copy of the lease to the Board prior to a tenant's occupancy of the unit. The lease shall specifically provide that the tenant is subject to all Condominium Documents (the "**Documents**"), including the Declaration, Bylaws, and Rules, of Strathmore Tower Condominium, and any amendments thereto. The lease must also state that subleasing of the unit or assignment of the lease by the tenant is strictly prohibited. Further, the lease must provide that any action on the part of the tenant in violation of the covenants, conditions and restrictions in said Documents will constitute a breach of the lease and the Unit Owner may evict the tenant.

(g). Tenants are subject to all Documents of Strathmore Tower Condominium. A Unit Owner leasing his unit shall provide his tenant with a copy of all Documents. If a Unit Owner fails to supply the Documents to the tenant, the Board or managing agent may do so and bill the Unit Owner a reasonable fee for reproduction and handling costs.

(h). Subleasing of the unit or assignment of the lease by a tenant, even with the Unit Owner's approval, is strictly prohibited.

(i). Any non-compliance with the leasing restrictions and requirements stated herein shall be abated and if not so abated within a reasonable time may result in the Unit Owner being required by the Board to evict his tenant. In the case of such a non-compliance, the Board shall notify and instruct the Unit Owner and the tenant to comply, within a reasonable time, with the requirements set forth in this Paragraph 10. If the Unit Owner and tenant do not comply within a reasonable time or within thirty (30) days after being notified, whichever is shorter, the Unit Owner will be notified by the Board that said Unit Owner is required to evict his tenant for breach of lease.

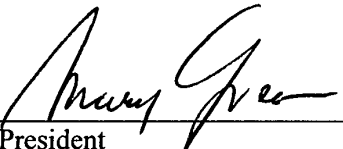
(j). If the Unit Owner, after reasonable notice, does not enforce the breach of lease terms against the tenant, each Unit Owner does hereby delegate to the Board, as its Agent and attorney-in-fact, the authority under the lease to enforce the terms of such lease as to the requirements herein, including, but not limited to, termination of the lease and institution of an action for eviction for breach of the lease by the tenant for failure to comply with the Documents of Strathmore Tower Condominium.

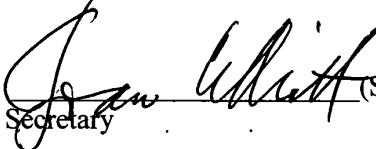
Anything to the contrary notwithstanding, this Amendment shall govern where the Declaration and Amendment and Restatement of the Bylaws are silent as to the leasing of Units.

IN WITNESS WHEREOF, the Secretary of the Board of Directors of the Council of Co-Owners of STRATHMORE TOWER CONDOMINIUM certified that the foregoing SECOND AMENDMENT TO THE AMENDMENT AND RESTATEMENT OF THE BYLAWS OF STRATHMORE TOWER CONDOMINIUM was consented to by at least 66 2/3% of the Unit Owners.

WITNESS:

THE COUNCIL OF CO-OWNERS OF STRATHMORE TOWER CONDOMINIUM

  
\_\_\_\_\_  
President

 (SEAL)  
\_\_\_\_\_  
Secretary

[Notary Affidavit on next page]





THIS IS TO CERTIFY that the Second Amendment to Amendment and Restatement of the Bylaws of Strathmore Tower Condominium were prepared by, or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.



John M. Oliveri, Esq.

101000

**AFTER RECORDING, PLEASE**

**RETURN TO:**

Law Office of John M. Oliveri  
700 Melvin Avenue, Suite 8  
Annapolis, Maryland 21401



# Council of Co-Owners of Strathmore Tower Condominium

CC&Rs/Declaration



**CC&Rs-Declaration**

**Council of Co-Unit Owners of Strathmore Tower Condominium, Inc.**

2141 338

DECLARATION ESTABLISHING A HORIZONTAL PROPERTY REGIME  
TO BE KNOWN AS STRATHMORE TOWER CONDOMINIUM

THIS MASTER DEED AND DECLARATION, made this 24<sup>th</sup> day of October, 1966, by GOVERNMENT REALTY, INC., a body corporate of the State of Maryland.

WHEREAS GOVERNMENT REALTY, INC. holds the fee simple title to the land hereinafter described and desires to submit said land, together with the building and improvements erected thereon, and all rights, alleys, ways, waters, privileges, appurtenances and advantages thereunto belonging, or in anywise appertaining, to the regime established by the Horizontal Property Act and hereby to establish on the property, a horizontal property regime to be known as the "STRATHMORE TOWER CONDOMINIUM".

NOW, THEREFORE, THIS MASTER DEED AND DECLARATION WITNESSETH: that Government Realty, Inc., for itself, its successors and assigns, does hereby expressly establish and declare the following:

ARTICLE I

DEFINITIONS

As used in this Master Deed and Declaration, and the By-laws annexed hereto, except to the extent otherwise expressly provided, or otherwise resulting from necessary implication, the following terms shall have the meanings herein ascribed thereto. The terms herein defined are:

(a) Horizontal Property Act. The Horizontal Property Act means and refers to Chapter 387 of the Acts of 1963 of the General Assembly of Maryland, as amended by Chapter 238 of the Acts of 1965 of the General Assembly of Maryland, codified as Section 117A to Section 142, inclusive, of Article 21 of the Annotated Code of Maryland (1957 Ed.; 1965 Supp.).

(b) Land. Land means and includes the entire lot or parcel of ground located in Baltimore City, Maryland, and described as follows:

FOR THE RELEASE OF THIS DOCUMENT, SEE THE RELEASE OF THIS DOCUMENT.



8  
118  
L. JACK

BEGINNING FOR THE SAME at a 1/2 inch pipe set at the corner formed by the intersection of the southwest side of Park Heights Avenue, as laid out seventy-four feet wide, and the southeast side of Strathmore Avenue, as laid out fifty feet wide, said point of beginning being also at the northernmost corner of Lot numbered 21 on the Plat of Strathmore, recorded among the Plat Records of Baltimore County in Plat Book J.W.S. No. 2, folio 258, and running thence binding on the southwest side of said Park Heights Avenue, and referring the courses of this description to the Grid Meridian established by the Baltimore City Survey Control System, (1) S. 55°46'30"E. 200.00 feet to a 1/2 inch pipe set at the dividing line between Lots numbered 17 and 18 on the aforesaid Plat of Strathmore, thence binding on said dividing line (2) S.34°51'45"W. 200.00 feet, thence binding on a part of the dividing line between Lots numbered 18 and 41 on the said Plat of Strathmore (3) N.55°46'30"W.15.00 feet to a 1/2 inch pipe set at the end of the second or northeasterly 170 foot line of the land conveyed by Sidney M. Friedberg and Miriam Friedberg, his wife, to Government Realty, Inc., by deed dated November 30, 1964, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1801, folio 507, thence binding reversely on a part of said second line (4) S.34°51'45" W. 62.20 feet, thence for a new line of division (5) N.55° 08' 15"W. 184.99 feet to a point on the southeast side of Strathmore Avenue, fifty feet wide, and thence binding on the southeast side of said Strathmore Avenue (6) N.34° 51' 45"E. 260.14 feet to the place of beginning, containing 1.1780 acres of land, more or less.

BEING the same lot or parcel of ground which by Deed dated April 16, 1965, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1886, folio 202, was granted and conveyed by The Drew Company to Government Realty, Inc., the same being lot Nos. 2 and 3 on the plat of Strathmore Towers, as recorded among the Plat Records of Baltimore City in Plat Pocket Folder J.F.C. No. 1970, superseding the plat of Strathmore Towers recorded among the Plat Records of Baltimore City in Plat Pocket Folder J.F.C. No. 1936.

The land is subject to the following easements and rights of ways:

- (1) The eight foot right of way shown on the City of Baltimore Bureau of Sewer Plat B.S. 20-19687 and conveyed by Louis Seidenman and Helen W. Seidenman, his wife, The Maryland Title Guarantee Company and Mary G. Finney to the Mayor and City Council of Baltimore, by deed dated December 3, 1926, and recorded among the Land Records of Baltimore City in Liber S.C.L. No. 4574, folio 364. Such right of way is described as follows:

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BEGINNING FOR THE SAME on the northeast corner of the lot or parcel of ground which, by deed dated November 30, 1964, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1801, folio 507, was granted and conveyed by Sidney M. Friedberg and Miriam Friedberg, his wife, unto Government Realty, Inc., and running thence binding on the northeast outline of said lot or parcel northwesterly ten feet, thence by a line southwesterly eight feet to intersect a line drawn parallel to and distant eight feet measured at right angles in a southwesterly direction from the first line in this description, thence reversing said line so drawn and binding thereon southeasterly ten feet to intersect the southeast outline of the aforesaid lot or parcel of ground conveyed by Sidney M. Friedberg and Miriam Friedberg, his wife, unto Government Realty, Inc., thence binding on said southeast outline northeasterly eight feet to the place of beginning.

As authorized by Ordinance No. 676 of the Mayor and City Council of Baltimore, Approved November 9, 1965, the northwesternmost three feet of the aforesaid right of way has been released and surrendered by the said Mayor and City Council of Baltimore to Government Realty, Inc., its successors and assigns, by Release, dated November 24, 1965, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1999, folio 47.

(2) The seven foot right of way reserved by The Drew Company under the aforesaid deed from the said The Drew Company to Government Realty, Inc., dated April 16, 1965, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1886, folio 202. Such right of way is described as follows:

A right of way seven feet wide beginning at the end of the fourth or S.34°51'45"W. 62.20 foot line of the aforesaid lot of ground and running thence binding reversely on a part of said fourth line (1) N.34°51'45" E. 54.20 feet to the southwest side of the eight foot right of way shown on the City of Baltimore Bureau of Sewers Plat B.S. 20-19687 and conveyed by Louis Seidenman and Helen W. Seidenman, his wife, The Maryland Title Guarantee Company and Mary G. Finney to the Mayor and City Council of Baltimore, by deed dated December 3, 1926, and recorded among the Land Records of Baltimore City in Liber S.C.L. No. 4674, folio 364, thence binding on a part of the southwest side of said right of way (2) N.55°46'30"W. 7.00 feet, thence (3) S.34°51'45"W. 54.12 feet to a point on the fifth or N.55°03'15"W. 184.99 foot line of the aforesaid lot of ground, thence binding reversely on a part of said fifth line (4) S.55°08'15"E. 7.00 feet to the place of beginning.



(3) The seven foot right of way shown on the City of Baltimore Department of Public Works, Office of Director, Right of Way Division, Plat No. R.W. 20-35235 and conveyed by Government Realty, Inc., to the Mayor and City Council of Baltimore, by Agreement dated May 20, 1965, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1887, folio 628. Such right of way is described as follows:

A right of way seven feet wide beginning on the southwest side of the eight foot right of way shown on the City of Baltimore Bureau of Sewers Plat B.S. 20-19687 and conveyed by Louis Seidenman and Helen W. Seidenman, his wife, The Maryland Title Guarantee Company and Mary G. Finney to the Mayor and City Council of Baltimore, by deed dated December 3, 1926, and recorded among the Land Records of Baltimore City in Liber S.C.L. No. 4674, folio 364, at a point on the fourth or S.34°51'45"W. 62.20 foot line of the lot or parcel of ground which, by deed dated April 16, 1965, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1886, folio 202, was granted and conveyed by The Drew Company to Government Realty, Inc., and running thence binding on a part of the aforesaid fourth line of the land conveyed by The Drew Company to Government Realty, Inc. (1) S.34°51'45"W. 3.00 feet, thence parallel to the southwest side of the aforesaid eight foot right of way (2) N.55°46'30"W. 7 feet, thence (3) N.34°51'45"W. 3 feet to a point on the southwest line of the aforesaid eight foot right of way shown on the Bureau of Sewers Plat B.S. 20-19687 and thence binding reversely on a part of the southwest line of said eight foot right of way (4) S.55°46'30"E. seven feet to the place of beginning.

(4) The rights granted by Government Realty, Inc. to the Baltimore Gas and Electric Company, by Agreement dated June 3, 1965, and recorded among the Land Records of Baltimore City in Liber J.F.C. No. 1895, folio 248.

Such rights are described as follows:

The right to construct, operate and maintain electric and telephone lines, including the necessary poles, cross-arms, electric, telephone and other wires, anchors, guys, conduits, cables, street lights and equipment over the land, together with the right to: have access at all times to the lines; extend them to adjacent properties; string wires between any poles and from the nearest pole to any building; and trim, top or cut down trees adjacent to the wires to provide ample clearance. No buildings or structures are to be erected under or over the lines.

The lines are to be located along and adjacent to streets, roads, avenues and boundary lines of the lot and also beginning at the south side of Strathmore Avenue,

approximately 150 feet and extending in a southwesterly direction approximately 65 feet.

(c) Building. Building means and includes the nine story structure, with basement and underground parking area, containing sixty units, constructed in accordance with the final plans, drawings and specifications therefor prepared by Lawrence A. Menefee and Lawrence A. Menefee, Jr., Associated Architects, 2131 Maryland Avenue, Baltimore, Maryland 21218, dated March 9, 1965, revised to September 29, 1966, entitled, "Strathmore Towers Condominium Apartments", and comprised of the following:

Architectural Drawings, sheets 1 through 23;  
Structural Drawings, sheets 1 through 8;  
Plumbing, Mechanical and Electrical Drawings, sheet 1;  
Mechanical Drawings, sheets 1 through 5;  
Plumbing Drawings, sheets 1 through 4;  
Electrical Drawings, sheets 2 through 5;  
Specifications for the material and work, including:  
General Conditions and Special Conditions;  
Architectural and Structural Sections, pages 2-1 through 26-2, and 29-1 through 29-6; and Electrical and Mechanical Sections P, pages 1 through 13, HV and AC, pages 1 through 27, and E, pages 1 through 15;

All as from time to time amended under any revised or supplemental drawing or specification, which shall be described in an amendment of this subparagraph of the Master Deed and Declaration.

The ground cover area of the building is 13,122 square feet; and the ground floor area of said building is 8,108 square feet. The final plans, drawings and specifications of the building are filed with Government Realty, Inc., 749 Equitable Building, Baltimore, Maryland 21202, and the Manager of the condominium project, forever to be maintained, as amended, at the project site, 6210 Park Heights Avenue, Baltimore, Maryland 21215. A full and exact copy of the plan of the building has been filed among the Plat Records of Baltimore City, which plan shows all particulars of the building, including the dimensions, area and location of the building and of each unit therein, the dimensions, area and location of the common elements affording access to each unit, and insofar as possible, other common elements described in words and figures.

(d) Property or Condominium Project. Property or condominium project means and includes the land and building, together with all improvements, fixtures, and structures erected thereon or therein, and all rights, ways, easements, privileges and appurtenances thereunto belonging, or in anywise appertaining, including all space in,

upon, above or below the foregoing. The name of the condominium project is "Strathmore Tower Condominium".

(e) Unit or Condominium Unit. Unit or condominium unit means an enclosed space designed as a single family dwelling or office, having access to a public way or thoroughfare via the common elements, comprised of four or more rooms, exclusive of foyers, hallways and bath rooms, occupying part of a floor in the building and lying between the top of the concrete floor (slab) and the bottom of the concrete ceiling (slab) and between the interior finished surface (unit side) of the exterior or partition walls enclosing such unit and separating same from other units, halls, hallways, corridors, communication ways, stairs, stairways, elevator shafts, lobbies, lounges and other common elements, saving and excepting from each unit, however, all bearing walls, columns and other facilities and installations located within the unit and designated common elements under the provisions of subparagraph (f) hereof. Doors and doorways furnishing access between the unit and the common elements and windows, including all glass in the foregoing, are deemed a part of the exterior or partition walls. Each condominium unit is a freehold estate and is identified and more particularly described in Article II hereof.

(f) Common Elements. Common Elements mean and include all the property, except to the extent located in any unit for the exclusive service thereof. The common elements include particularly, but not by way of limitation, the following: (i) the land and all yards, lawns, gardens, plantings, walkways and parking and driveway areas thereon or pertinent thereto; (ii) foundations, roofs, columns, girders, beams, slabs, partitions, supports, and other structural improvements of the building, including interior and exterior walls, all glass in windows, doors and elsewhere not contained within any unit, and all bearing walls and columns located within an unit; (iii) halls, hallways, corridors, communication ways, stairs, stairways, elevators, elevator shafts, lobbies, lounges, and all entrances and exits to and from the building; (iv) basements, garages, parking areas, storage spaces, offices, mail rooms, or other service facilities, and all areas used for or in connection with the foregoing;

(v) all central and appurtenant installations for utilities and services, including power, light, gas, electric, telephones, water, hot water, sewerage, heating, ventilating, refrigerating, air conditioning, plumbing and trash compacting, together with all pipes, lines, ducts, wires, cables, conduits, fixtures, facilities and installations used in connection with the foregoing, including those located within a condominium unit for the service of two or more units and any air handling facility installed within a condominium unit for the purpose of forcing hot and cold air through the ducts provided therefor within such unit ; (vi) all tanks, pumps, motors, fans, compressors, controls, devices, installations and apparatus required for the maintenance or operation of the elevators or the electrical, plumbing, heating, ventilating, refrigerating, air conditioning or compacting equipment and facilities; (vii) terraces, patios and balconies, subject to any easement created in this Master Deed and Declaration as an appurtenance to the condominium unit from which the terrace, patio or balcony is solely accessible; (viii) space devoted to the lodging or use of the superintendent, janitor or other person or persons employed for the supervision, care or maintenance of the condominium project; and (ix) all other parts of the property necessary or convenient to the maintenance, care, safety and operation of the condominium project or to the use of the project by the co-owners in common.

(g) Developer. Developer means Government Realty, Inc., a Maryland body corporate, its successors and assigns.

(h) Co-owner. Co-owner means any person, firm, corporation, trust or other legal entity, or any combination hereof, owning a condominium unit within the building and, without regard to the number or gender thereof, is referred to by the singular pronoun of the masculine gender.

(i) Council of Co-owners. Council of co-owners means and includes all the co-owners defined in subparagraph (h) of this Article I.

(j) Majority or other percentage of co-owners. Majority

of co-owners means fifty-one (51%) per cent, or more, of the votes of the co-owners, and any other percentage of the co-owners, for example: two-thirds (2/3rds) of the co-owners, or three fourths (3/4ths) of the co-owners, means such percentage of the votes of the co-owners.

(k) Percentage Interest Factor. Percentage interest factor means and refers to the proportionate interest of each co-owner in the common elements. The particular percentage interest factor of each co-owner, referred to in this Master Deed and Declaration as "such co-owner's percentage interest factor", or "his percentage interest factor", equals the percentage interest factor of the unit owned by the co-owner, as specified in Article III hereof.

(l) Mortgage and Mortgages. Mortgage shall mean and include a mortgage, deed of trust and other conveyance in the nature of a mortgage; and Mortgagee shall mean and include the grantee named in a mortgage or other conveyance in the nature of a mortgage, the beneficiary or creditor secured under any deed of trust, and the heirs, personal representatives, successors and assigns of such grantee, beneficiary or creditor.

(m) Common Expenses or Common Expense. Common expenses or common expense means and includes: the cost and expense of administration, operation, care, maintenance, repair or replacement of the common elements, including payment into a reserve or repair and replacement fund established for the foregoing; premiums on any policy of insurance, indemnity or bond required to be procured or maintained under the Deed or By-laws, or by the council of co-owners; all other costs and expenses declared to be a common expense by any provision of the Deed or By-laws, or by the council of co-owners; and all sums assessed against the unit owners by the council of co-owners.

(n) Manager. Manager means and includes the person, firm or corporation from time to time employed by the council of co-owners to administer or supervise the condominium project. The Manager may consist of a board of directors elected by the co-owners in accordance

with the terms and provisions of the By-laws adopted for the regulation of the condominium project. If there be no person, firm or corporation employed by the council of co-owners to administer or supervise the project, and no board of directors elected by said co-owners, then the council of co-owners shall be deemed the manager. Manager is referred to in this Deed, without regard to the number or sex thereof or of those comprising same, by the singular pronoun of the neuter gender.

(o) Deed and By-laws. Deed means and refers to this Master Deed and Declaration; and By-laws means and refers to the By-laws annexed to said Master Deed and Declaration.

#### ARTICLE II

##### CREATION OF HORIZONTAL PROPERTY REGIME

The Developer submits the property to the regime established by the Horizontal Property Act and establishes a horizontal property regime therefor to be known as "Strathmore Tower Condominium", to the end and intent that: in each co-owner shall vest the exclusive fee simple ownership of his unit and, as set forth in Article IV hereof, an undivided fee simple interest in the common elements; and each condominium unit, together with the undivided interest in the common elements appurtenant thereto, may be purchased, leased, optioned or otherwise acquired, held, developed improved, mortgaged, sold, exchanged, rented, conveyed, devised, inherited, or in any manner encumbered, dealt with, disposed of, or transferred as fee simple real estate, all as fully, and to the same extent, as though each unit were entirely independent of all other units and of the building in which condominium units are located and constituted a single, independent, fee simple, improved lot or parcel of ground.

A condominium unit may be held or owned by more than one person, firm or corporation, as joint tenants, tenants in common, or in any other real property tenancy relationship recognized under

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the laws of the State of Maryland, including, in the case of husband and wife, tenants by the entirety.

ARTICLE III

CONDOMINIUM UNITS

The building is hereby subdivided into sixty (60) condominium units, each of which is shown, identified and described on the subdivision plan prepared by Matz, Childs and Associates, dated August 5, 1966, revised to August 31, 1966, and October 16, 1966, entitled "Strathmore Towers Condominium Apartments", and recorded among the Land Records of Baltimore City in Condominium Plat Book No. 1. Each unit is designated in this Master Deed and Declaration by the numerical symbol specified therefor on the aforesaid subdivision plan.

The owner of a condominium unit from which a terrace, patio or balcony is solely accessible has the exclusive right to use and enjoy such terrace, patio or balcony, to the exclusion of the owner of any other condominium unit; correspondingly, such owner shall have the sole obligation, at his cost and expense, to repair and maintain the terrace, patio or balcony to which he has the exclusive right of use in the same good order and condition as existed when constructed, except to the extent: (i) the cost of any repair is recoverable under the council of co-owners fire insurance policy; or (ii) replacement or structural repair is required, the cost whereof shall be a common expense.

The value of the property, fixed solely for the purpose of establishing the percentage interest factor hereinafter referred to, is Two Million, Three Hundred Sixty-eight Thousand, Six Hundred Dollars (\$2,368,600.00). The value of each condominium unit and the percentage which such value bears to the value of the property, herein referred to as the percentage interest factor, is as follows:

| <u>Unit Number</u> | <u>Value of Unit</u> | <u>Percentage Interest Factor</u> |
|--------------------|----------------------|-----------------------------------|
| 100                | \$ 19,900.00         | .81                               |
| 101                | 23,100.00            | 1.01                              |
| 104                | 23,000.00            | .98                               |
| 105                | 20,000.00            | .84                               |



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| <u>Unit Number</u> | <u>Value of Unit</u> | <u>Percentage Interest Factor</u> |
|--------------------|----------------------|-----------------------------------|
| 200                | \$ 45,900.00         | 1.93                              |
| 201                | 39,500.00            | 1.67                              |
| 202                | 35,500.00            | 1.50                              |
| 203                | 31,000.00            | 1.30                              |
| 204                | 43,500.00            | 1.83                              |
| 205                | 31,000.00            | 1.30                              |
| 207                | 37,500.00            | 1.60                              |
| 300                | 47,300.00            | 2.00                              |
| 301                | 40,900.00            | 1.72                              |
| 302                | 36,900.00            | 1.55                              |
| 303                | 32,400.00            | 1.37                              |
| 304                | 44,900.00            | 1.90                              |
| 305                | 32,400.00            | 1.37                              |
| 307                | 38,900.00            | 1.65                              |
| 400                | 48,000.00            | 2.02                              |
| 401                | 41,600.00            | 1.75                              |
| 402                | 37,600.00            | 1.59                              |
| 403                | 33,100.00            | 1.40                              |
| 404                | 45,600.00            | 1.92                              |
| 405                | 33,100.00            | 1.40                              |
| 407                | 39,600.00            | 1.68                              |
| 500                | 48,700.00            | 2.05                              |
| 501                | 42,300.00            | 1.79                              |
| 502                | 38,300.00            | 1.61                              |
| 503                | 33,800.00            | 1.42                              |
| 504                | 46,300.00            | 1.95                              |
| 505                | 33,800.00            | 1.42                              |
| 507                | 40,300.00            | 1.70                              |
| 600                | 49,400.00            | 2.09                              |
| 601                | 43,000.00            | 1.81                              |
| 602                | 39,000.00            | 1.64                              |
| 603                | 34,500.00            | 1.45                              |
| 604                | 47,000.00            | 2.00                              |
| 605                | 34,500.00            | 1.45                              |
| 607                | 41,000.00            | 1.73                              |
| 700                | 50,100.00            | 2.11                              |
| 701                | 43,700.00            | 1.84                              |
| 702                | 39,700.00            | 1.68                              |
| 703                | 35,200.00            | 1.49                              |
| 704                | 47,700.00            | 2.02                              |
| 705                | 35,200.00            | 1.49                              |
| 707                | 41,700.00            | 1.77                              |
| 800                | 50,800.00            | 2.14                              |
| 801                | 44,400.00            | 1.88                              |
| 802                | 40,400.00            | 1.70                              |
| 803                | 35,900.00            | 1.51                              |
| 804                | 48,400.00            | 2.05                              |
| 805                | 35,900.00            | 1.51                              |
| 807                | 42,400.00            | 1.80                              |
| 900                | 51,500.00            | 2.19                              |
| 901                | 45,100.00            | 1.91                              |
| 902                | 41,100.00            | 1.73                              |
| 903                | 36,600.00            | 1.54                              |
| 904                | 49,100.00            | 2.09                              |
| 905                | 36,600.00            | 1.54                              |
| 907                | 43,100.00            | 1.81                              |
| Total              | \$ 2,368,600.00      | 100.00                            |



The value established hereunder for each condominium unit shall not fix the market value of such unit and shall not prevent any co-owner from fixing a different value for his condominium unit in any act or contract.

The percentage interest factor of each unit has a permanent character and no such factor shall be changed without the consent of the council of co-owners. No change in percentage interest factor shall be effected unless evidence by an appropriate written instrument or instruments, setting forth the change agreed upon, executed by all the co-owners and recorded among the proper Land Records of Baltimore City.

A condominium unit shall not be subdivided into two or more units, nor shall any part of a unit be sold, leased, mortgaged, rented, conveyed, devised, or in any manner encumbered, disposed of or transferred, but each condominium unit shall forever contain the minimum area shown therefor on the aforesaid plat of Strathmore Tower Condominium. Further, the conveyance or other disposition of a condominium unit by any co-owner shall be deemed to include and convey the entire undivided interest of the co-owner in the common elements, together with all rights and easements appertaining to his unit, without specific or particular reference to such undivided interest in the common elements or the appurtenance to the condominium unit.

#### ARTICLE IV

##### COMMON ELEMENTS

The fee simple title to the common elements is vested in the co-owners, each co-owner having the proportionate undivided interest therein equal to his percentage interest factor. No share or proportionate interest in the common elements shall be separated from the unit to which such share or interest appertains. Further, the common elements shall remain undivided, and no co-owner, or anyone claiming by, through or under him, shall bring any action

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for the partition or division of the co-ownership of the common elements. Except as herein otherwise expressly provided, each co-owner may use the common elements for the purposes for which intended, without, however, hindering or encroaching upon the right of the other co-owners likewise to use the same.

Notwithstanding the foregoing, if any co-owner shall acquire the absolute fee simple interest and title in and to adjacent condominium units, he shall have the right and privilege of consolidating said units, after first procuring written authorization from the Board of Directors therefor, through removal, in whole or in part, of any non-bearing partition wall separating the same and thereby acquiring the exclusive right to use and enjoy the space previously occupied by such wall. No consolidated unit, however, shall lose its identity, characteristics or percentage interest factor by consolidation; and for all purposes, the co-owner of consolidated units shall be deemed the owner of each such unit, severally, separately and independently.

The council of co-owners, or the manager employed thereby, for themselves, their agents, servants, employees and contractors, shall have the irrevocable right and a perpetual easement to enter any unit to inspect or examine the common elements and to maintain, repair or replace any common element located in, or accessible from any unit, whether or not such common element is also accessible from any other unit.

Each co-owner, in proportion to his percentage interest factor, shall contribute toward payment of the common expenses and no co-owner shall be exempt from contributing toward said common expenses, either by waiver of the use or enjoyment of the common elements, or any thereof, or by the abandonment of his condominium unit. The contribution of each co-owner toward common expenses shall be determined, levied and assessed as a lien, all in the manner set forth in the By-laws. Such lien shall have preference over

any other assessment, lien, judgment, or charge of whatever nature except: (i) general and special assessments for real estate taxes on the condominium unit; and (ii) any deed of trust or mortgage covering the condominium unit, duly recorded prior to assessment of the lien on such unit, or duly recorded on said unit after receipt from the manager of a written statement acknowledging that payments on the lien are current as of the date of recordation of the deed of trust or mortgage.

ARTICLE V

CONDOMINIUM UNITS AND COMMON ELEMENTS

If any common element, or any part thereof, now or at any time hereafter, encroaches upon any unit, or any unit encroaches upon any common element, whether such encroachment is attributable to construction, settlement, or shifting of the building, or any other reason whatsoever beyond the control of the council of co-owners and any unit owner, there shall forthwith arise, without the necessity of any further or additional act or instrument, a good and valid easement for the maintenance of such encroachment, either for the benefit of the council of co-owners or for the unit owner, their respective heirs, successors and assigns, to provide for the encroachment and non-disturbance of the common element, or the unit, as the case may be. Such easement shall remain in full force and effect so long as the encroachment shall continue and shall be re-located, if necessary, to permit the maintenance of such encroachment wherever found.

The conveyance or other disposition of a condominium unit shall be deemed to include and convey, or be subject to, any easement arising under the provisions of this Article without specific or particular reference to such easement.

ARTICLE VI

SALE, LEASE, OR OTHER DISPOSITION OF UNIT

No co-owner shall sell, exchange or lease any interest in his condominium unit (herein referred to as "unit interest"), except by mortgage designed to secure payment of a bona fide debt or loan

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due any bank, building loan association, insurance company, financial institution, or other lending agency, without first complying with the terms, conditions and provisions set forth as follows:

(a) If any co-owner desiring to sell, exchange or lease his unit interest shall receive an acceptable bona fide offer therefor, he shall notify the Manager of the terms of said offer, including the name and address of the prospective purchaser, lessee, or other party, the purchase or rental price for the unit interest, and the terms upon which same is payable, and all other material provisions of the contract, exchange or lease, and the Manager, for and on behalf of the council of co-owners, shall thereupon have the prior right and privilege to purchase, take or lease the co-owner's unit interest upon the terms and conditions contained in said bona fide offer. If the Manager elects to exercise the right to purchase, take or lease the unit interest, it shall so notify the co-owner offering the same for sale, exchange or lease, in writing, within twenty (20) days after receiving notice of the terms of the aforesaid bona fide offer, and thereafter, such co-owner shall convey or lease the unit interest, in accordance with the terms of the bona fide offer, solely to the Manager as the agent of the council of co-owners, or to whomsoever such Manager may designate. If the Manager fails to exercise its right to purchase, take or lease the unit interest upon the terms of the bona fide offer, then the co-owner offering such interest may sell or lease the same to the person making the bona fide offer therefor, solely, however, in accordance with the terms of such offer. If for any reason, a sale, exchange or lease of the unit interest is not consummated upon the terms of the initial bona fide offer, no subsequent sale, exchange or lease thereof may be effected without first re-offering the unit interest to the Manager, all as in the case of the first bona fide offer.

The right and privilege hereunder reserved unto the Manager, as agent of the council of co-owners, to buy or lease any unit interest

under the provisions of this subparagraph (a) shall expire at the end of the twentieth (20th) year following the death of the survivor of Leonard Attman and Morris Wolf.

(b) A certificate executed and acknowledged by the Manager stating that a co-owner has complied with the provisions of subparagraph (a) of this Article VI and that the Manager has failed to exercise, or has waived, its right to buy or lease the unit interest offered for sale or lease shall be conclusive upon the council of co-owners in favor of all persons who may rely thereon in good faith. Such certificate shall be furnished to any co-owner who has in fact complied with the provisions of subparagraph (a) of this Article VI or in respect to whom the provisions of said subparagraph have been waived, upon request at a reasonable fee not to exceed \$10.00.

(c) The provisions of this Article VI shall not apply to any mortgagee enforcing the lien of its mortgage against any unit covered thereby. Further, any mortgagee may purchase or otherwise acquire the condominium unit or units subjected to its mortgage, through legal proceedings or otherwise, without first complying with the terms, conditions or provisions of subparagraph (a) of said Article VI. If any mortgagee, however, acquires the condominium unit or units covered by its mortgage, then in such event the mortgagee shall be deemed a co-owner to whom the provisions of this Article VI shall apply, subject to the following modification:

If the Manager elects to exercise the right to purchase, take or lease the unit interest of the mortgagee, as co-owner, it shall so notify the mortgagee offering the same for sale, exchange or lease, in writing, within ten (10) days after receiving notice of the terms of the bona fide offer received by the mortgagee from any prospective purchaser, lessee, or other person.

(d) The provisions of this Article VI shall not apply to the sale, lease or other disposition of any condominium unit by the Developer so long as title to more than five (5) condominium units is vested in said Developer as the owner of such units.

ARTICLE VIIGENERAL PROVISIONS

The Horizontal Property Regime established by this Deed shall be subject to the following:

1. The administration of the condominium project shall be governed by the By-laws, and the terms, conditions, restrictions and provisions set forth in the By-laws shall be deemed a part of this Deed, all as fully and to the same extent as though said By-laws were incorporated herein, provided, however, that no amendment of the By-laws and no term, condition, restriction or provision contained in Section 4 of Article IX, or paragraph 10 of Article XI of the By-laws shall be binding upon the Developer or any condominium unit owned by the Developer. In all matters, each co-owner shall have that number of votes which shall equal his percentage interest factor.

2. This Deed shall not be changed, modified, supplemented or rescinded without the consent of the council of co-owners, and no change, modification, supplement, or rescission of this Deed shall take effect unless evidenced by an appropriate written instrument or instruments, executed by all the co-owners, and recorded among the proper Land Records of Baltimore City. The provisions of this paragraph, however, shall not apply to any change, modification, supplement or rescission of the By-laws, which may be effected with the consent of two-thirds (2/3rds) of the co-owners unless otherwise expressly provided. Further, notwithstanding any other provision of this paragraph, if the property shall be more than two-thirds (2/3rd) destroyed by fire or other casualty or disaster, and three-fourths (3/4ths) of the co-owners shall decide to waive and terminate the Horizontal Property Regime, the restriction against partition and division of the co-ownership shall no longer apply.

3. The failure of the council of co-owners, or any co-owner, to insist in any one or more instances upon the strict performance or enforcement of any term, condition or provision of this Deed shall not be construed as a waiver or relinquishment for the

future of such right, but the same shall remain in full force and effect unless expressly waived in writing.

4. The terms, conditions, restrictions and provisions of this Deed, and the By-laws, shall be binding upon Government Realty, Inc., its successors and assigns, all as part of a general plan or scheme for development of the condominium project, and all said terms, conditions, restrictions and provisions shall be held construed to run with and bind the property, each condominium unit thereon, and all subsequent owners and occupants of the units. All of said terms, conditions, restrictions and provisions shall inure to the benefit of and be enforceable by Government Realty, Inc., its successors and assigns, and by any person or party then owning or having any recorded interest or estate in any condominium unit, against any one violating or attempting to violate any of the terms, conditions, restrictions or provisions.

5. Nothing contained in this Deed or the By-laws shall be deemed or construed by any co-owner, nor by any third party, as creating the relationship of principal and agent, partnership or joint venture between the co-owners or any of them. Further, no provision contained in this Deed or the By-laws shall be deemed to create any relationship between any co-owners other than the relationship expressly created under a horizontal property regime nor to confer upon a co-owner any interest in any other co-owner's condominium unit, nor to create any responsibility whatsoever on a co-owner for any debt, liability or obligation of any other co-owner.

6. If any term, condition or provision of this Deed is found or determined to be invalid, the validity of the remainder of this Deed shall not be affected thereby but shall continue in full force and effect, as fully and to the same extent as if the invalid term, condition or provision had not been included herein.

WITNESS the hand and seal of Government Realty, Inc., on this \_\_\_\_\_ day and year first above written.

WITNESS:

Egon P. [Signature]


GOVERNMENT REALTY, INC.

By [Signature]  
President



Maryland, in and for the City aforesaid, personally appeared MORRIS H. WOLF, President of Government Realty, Inc., a body corporate, and acknowledged the foregoing Master Deed and Declaration to be the act and deed of said body corporate.

AS WITNESS my hand and Notarial Seal.

  
\_\_\_\_\_  
Notary Public

RECORDED OCT 24 1966 <sup>230</sup> & RECORDED IN THE LAND RECORDS OF  
BALTIMORE COUNTY, MARYLAND, BOOK 2141 PAGE 333

# Council of Co-Owners of Strathmore Tower Condominium

Current Unaudited Financial Documents



# Council of Co-Owners of Strathmore Tower Condominium

## Statement of Revenues and Expenses 5/1/2023 - 5/31/2023

|                               | Current Period   |                  |                 | Year To Date      |                   |                  | Annual Budget     |
|-------------------------------|------------------|------------------|-----------------|-------------------|-------------------|------------------|-------------------|
|                               | Actual           | Budget           | Variance        | Actual            | Budget            | Variance         |                   |
| <b>Operating Income</b>       |                  |                  |                 |                   |                   |                  |                   |
| <b>Income</b>                 |                  |                  |                 |                   |                   |                  |                   |
| 41000 - Association Fees      | 64,719.78        | 62,834.75        | 1,885.03        | 450,367.61        | 439,843.25        | 10,524.36        | 754,017.00        |
| 44000 - Late Charge Fees      | 488.63           | 250.00           | 238.63          | 3,591.49          | 1,750.00          | 1,841.49         | 3,000.00          |
| 44200 - Legal Fee Income      | -                | -                | -               | 1,513.36          | -                 | 1,513.36         | -                 |
| 44650 - Move In/Out Fees      | -                | 125.00           | (125.00)        | 600.00            | 875.00            | (275.00)         | 1,500.00          |
| 45200 - NSF Fees              | -                | -                | -               | 75.00             | -                 | 75.00            | -                 |
| 45500 - Interest Income       | -                | 416.67           | (416.67)        | 249.91            | 2,916.69          | (2,666.78)       | 5,000.00          |
| 45510 - Owner Interest Income | -                | -                | -               | 845.49            | -                 | 845.49           | -                 |
| <b>Total Income</b>           | <b>65,208.41</b> | <b>63,626.42</b> | <b>1,581.99</b> | <b>457,242.86</b> | <b>445,384.94</b> | <b>11,857.92</b> | <b>763,517.00</b> |
| <b>Total Income</b>           | <b>65,208.41</b> | <b>63,626.42</b> | <b>1,581.99</b> | <b>457,242.86</b> | <b>445,384.94</b> | <b>11,857.92</b> | <b>763,517.00</b> |

## Operating Expense

### Administrative

|                                       |                  |                  |              |                   |                   |                   |                   |
|---------------------------------------|------------------|------------------|--------------|-------------------|-------------------|-------------------|-------------------|
| 50070 - BOD Purchase Pending Receipts | (515.17)         | -                | 515.17       | (515.17)          | -                 | 515.17            | -                 |
| 50200 - Bank Charge                   | -                | -                | -            | 20.00             | -                 | (20.00)           | -                 |
| 50260 - Loan Payment                  | -                | 9,065.83         | 9,065.83     | (12,652.27)       | 63,460.81         | 76,113.08         | 108,790.00        |
| 50261 - Loan Interest                 | 2,704.48         | -                | (2,704.48)   | 8,511.06          | -                 | (8,511.06)        | -                 |
| 50300 - Legal                         | 1,295.60         | 250.00           | (1,045.60)   | 8,055.06          | 1,750.00          | (6,305.06)        | 3,000.00          |
| 50350 - Tax Return/Audit              | -                | 220.83           | 220.83       | 2,650.00          | 1,545.81          | (1,104.19)        | 2,650.00          |
| 51050 - Management Fee                | 4,637.11         | 4,328.42         | (308.69)     | 31,919.49         | 30,298.94         | (1,620.55)        | 51,941.00         |
| 51150 - Office Expense                | 1,522.32         | 302.08           | (1,220.24)   | 15,218.78         | 2,114.56          | (13,104.22)       | 3,625.00          |
| 51212 - Car & Phone Allowance         | -                | 100.00           | 100.00       | -                 | 700.00            | 700.00            | 1,200.00          |
| 51450 - Postage and Copies            | -                | 133.33           | 133.33       | 479.24            | 933.31            | 454.07            | 1,600.00          |
| 51859 - Holiday Bonus                 | -                | -                | -            | (1,350.00)        | -                 | 1,350.00          | -                 |
| 53001 - Doormen                       | 6,658.13         | 5,109.08         | (1,549.05)   | 55,349.20         | 35,763.56         | (19,585.64)       | 61,309.00         |
| 53002 - Receptionist/PBX              | 9,255.13         | 6,007.58         | (3,247.55)   | 68,577.50         | 42,053.06         | (26,524.44)       | 72,091.00         |
| 53003 - Janitor                       | -                | 2,035.00         | 2,035.00     | 7,215.92          | 14,245.00         | 7,029.08          | 24,420.00         |
| 53004 - Maintenance Staff             | 7,339.00         | 5,407.50         | (1,931.50)   | 48,469.14         | 37,852.50         | (10,616.64)       | 64,890.00         |
| 53005 - Site Manager                  | 100.00           | -                | (100.00)     | 400.00            | -                 | (400.00)          | -                 |
| 53010 - Employee Uniforms             | -                | 116.67           | 116.67       | 996.09            | 816.69            | (179.40)          | 1,400.00          |
| 53020 - FICA                          | 1,778.80         | 1,548.42         | (230.38)     | 14,180.32         | 10,838.94         | (3,341.38)        | 18,581.00         |
| 53030 - State Unemployment Tax        | 95.80            | 372.08           | 276.28       | 981.79            | 2,604.56          | 1,622.77          | 4,465.00          |
| 53040 - Federal Unemployment Tax      | 51.14            | 94.42            | 43.28        | 526.62            | 660.94            | 134.32            | 1,133.00          |
| 53065 - Benefits                      | -                | -                | -            | 28.48             | -                 | (28.48)           | -                 |
| 53070 - Payroll Fees                  | 272.22           | 162.00           | (110.22)     | 2,355.43          | 1,134.00          | (1,221.43)        | 1,945.00          |
| <b>Total Administrative</b>           | <b>35,194.56</b> | <b>35,253.24</b> | <b>58.68</b> | <b>251,416.68</b> | <b>246,772.68</b> | <b>(4,644.00)</b> | <b>423,040.00</b> |

### Utilities

|                         |           |          |            |           |           |             |           |
|-------------------------|-----------|----------|------------|-----------|-----------|-------------|-----------|
| 55000 - Electric        | 5,921.54  | 6,520.42 | 598.88     | 42,749.38 | 45,642.94 | 2,893.56    | 78,245.00 |
| 56250 - Telephone       | 570.37    | 499.33   | (71.04)    | 3,562.80  | 3,495.31  | (67.49)     | 5,992.00  |
| 56450 - Natural Gas     | 3,318.38  | 2,916.67 | (401.71)   | 59,062.61 | 20,416.69 | (38,645.92) | 35,000.00 |
| 56500 - Water and Sewer | 10,000.00 | 4,938.00 | (5,062.00) | 31,003.23 | 34,566.00 | 3,562.77    | 59,256.00 |

# Council of Co-Owners of Strathmore Tower Condominium

## Statement of Revenues and Expenses 5/1/2023 - 5/31/2023

|  | Current Period   |                  |                   | Year To Date       |                   |                    | Annual Budget     |
|--|------------------|------------------|-------------------|--------------------|-------------------|--------------------|-------------------|
|  | Actual           | Budget           | Variance          | Actual             | Budget            | Variance           |                   |
| <b>Operating Expense</b>               |                  |                  |                   |                    |                   |                    |                   |
| 56506 - Water Treatment                | 300.24           | 177.92           | (122.32)          | 1,200.96           | 1,245.44          | 44.48              | 2,135.00          |
| <b>Total Utilities</b>                 | <b>20,110.53</b> | <b>15,052.34</b> | <b>(5,058.19)</b> | <b>137,578.98</b>  | <b>105,366.38</b> | <b>(32,212.60)</b> | <b>180,628.00</b> |
| <b>Grounds</b>                         |                  |                  |                   |                    |                   |                    |                   |
| 60400 - Landscape Contract             | 390.11           | 378.75           | (11.36)           | 3,098.16           | 2,651.25          | (446.91)           | 4,545.00          |
| 60760 - Common Area Maintenance        | -                | 540.42           | 540.42            | -                  | 3,782.94          | 3,782.94           | 6,485.00          |
| 62650 - Repairs and Maintenance        | -                | 125.00           | 125.00            | 3,235.98           | 875.00            | (2,360.98)         | 1,500.00          |
| 62850 - Snow Removal                   | -                | 416.67           | 416.67            | -                  | 2,916.69          | 2,916.69           | 5,000.00          |
| <b>Total Grounds</b>                   | <b>390.11</b>    | <b>1,460.84</b>  | <b>1,070.73</b>   | <b>6,334.14</b>    | <b>10,225.88</b>  | <b>3,891.74</b>    | <b>17,530.00</b>  |
| <b>Buildings</b>                       |                  |                  |                   |                    |                   |                    |                   |
| 65000 - Elevator Contract              | 1,147.06         | 1,062.00         | (85.06)           | 7,860.26           | 7,434.00          | (426.26)           | 12,744.00         |
| 65050 - Elevator Repairs & Maintenance | 320.00           | 416.67           | 96.67             | 4,372.25           | 2,916.69          | (1,455.56)         | 5,000.00          |
| 65300 - Janitorial Supplies            | (329.96)         | 541.67           | 871.63            | 4,031.06           | 3,791.69          | (239.37)           | 6,500.00          |
| 65600 - HVAC Contract                  | 2,490.00         | 805.00           | (1,685.00)        | 7,470.00           | 5,635.00          | (1,835.00)         | 9,660.00          |
| 65700 - HVAC Repairs                   | -                | 367.50           | 367.50            | 3,500.38           | 2,572.50          | (927.88)           | 4,410.00          |
| 66200 - Alarm System Maint             | 194.21           | 208.33           | 14.12             | 164.68             | 1,458.31          | 1,293.63           | 2,500.00          |
| 66910 - Repairs & Maintenance          | 204.03           | -                | (204.03)          | 8,101.25           | -                 | (8,101.25)         | -                 |
| 66950 - Repairs Electric               | -                | 35.00            | 35.00             | 4,652.17           | 245.00            | (4,407.17)         | 420.00            |
| 67400 - Repairs Plumbing               | 400.00           | 166.67           | (233.33)          | 3,275.00           | 1,166.69          | (2,108.31)         | 2,000.00          |
| 67500 - Repairs Roof                   | -                | 208.33           | 208.33            | 4,200.00           | 1,458.31          | (2,741.69)         | 2,500.00          |
| 67850 - Extermination                  | 420.00           | 108.00           | (312.00)          | 840.00             | 756.00            | (84.00)            | 1,300.00          |
| <b>Total Buildings</b>                 | <b>4,845.34</b>  | <b>3,919.17</b>  | <b>(926.17)</b>   | <b>48,467.05</b>   | <b>27,434.19</b>  | <b>(21,032.86)</b> | <b>47,034.00</b>  |
| <b>Insurance &amp; Tax</b>             |                  |                  |                   |                    |                   |                    |                   |
| 80000 - Insurance                      | 21.36            | 3,166.67         | 3,145.31          | 21,026.40          | 22,166.69         | 1,140.29           | 38,000.00         |
| <b>Total Insurance &amp; Tax</b>       | <b>21.36</b>     | <b>3,166.67</b>  | <b>3,145.31</b>   | <b>21,026.40</b>   | <b>22,166.69</b>  | <b>1,140.29</b>    | <b>38,000.00</b>  |
| <b>Reserve Contributions</b>           |                  |                  |                   |                    |                   |                    |                   |
| 97000 - Reserve Contribution           | 4,773.75         | 4,773.75         | -                 | 33,416.25          | 33,416.25         | -                  | 57,285.00         |
| <b>Total Reserve Contributions</b>     | <b>4,773.75</b>  | <b>4,773.75</b>  | <b>-</b>          | <b>33,416.25</b>   | <b>33,416.25</b>  | <b>-</b>           | <b>57,285.00</b>  |
| <b>Total Expense</b>                   | <b>65,335.65</b> | <b>63,626.01</b> | <b>(1,709.64)</b> | <b>498,239.50</b>  | <b>445,382.07</b> | <b>(52,857.43)</b> | <b>763,517.00</b> |
| <b>Operating Net Total</b>             | <b>(127.24)</b>  | <b>.41</b>       | <b>(127.65)</b>   | <b>(40,996.64)</b> | <b>2.87</b>       | <b>(40,999.51)</b> | <b>-</b>          |

# Council of Co-Owners of Strathmore Tower Condominium

## Statement of Revenues and Expenses 5/1/2023 - 5/31/2023

|                          | Current Period  |            |                 | Year To Date       |             |                    | Annual Budget |
|--------------------------|-----------------|------------|-----------------|--------------------|-------------|--------------------|---------------|
|                          | Actual          | Budget     | Variance        | Actual             | Budget      | Variance           |               |
| <b>Reserve Income</b>    |                 |            |                 |                    |             |                    |               |
| <b>Income</b>            |                 |            |                 |                    |             |                    |               |
| 45500 - Interest Income  | .01             | -          | .01             | 25.89              | -           | 25.89              | -             |
| <b>Total Income</b>      | <b>.01</b>      | <b>-</b>   | <b>.01</b>      | <b>25.89</b>       | <b>-</b>    | <b>25.89</b>       | <b>-</b>      |
| <b>Total Income</b>      | <b>.01</b>      | <b>-</b>   | <b>.01</b>      | <b>25.89</b>       | <b>-</b>    | <b>25.89</b>       | <b>-</b>      |
| <b>Reserve Net Total</b> | <b>.01</b>      | <b>-</b>   | <b>.01</b>      | <b>25.89</b>       | <b>-</b>    | <b>25.89</b>       | <b>-</b>      |
| <b>Net Total</b>         | <b>(127.23)</b> | <b>.41</b> | <b>(127.64)</b> | <b>(40,970.75)</b> | <b>2.87</b> | <b>(40,973.62)</b> | <b>-</b>      |

# Council of Co-Owners of Strathmore Tower Condominium

## Balance Sheet For 5/31/2023

### Operating Accounts

|   |            |
|---|------------|
| 12510 - PPB Operating Account                 | \$9,256.69 |
| 12600 - Petty Cash                            | \$500.00   |
| 12555-04148701 - Sandy Spring Bank Petty Cash | \$1,677.14 |

**Total Operating Accounts** **\$11,433.83**

### Reserves Accounts

|   |              |
|---|--------------|
| 13010-TS2012 - Revere Bank              | \$49,765.64  |
| 13010-TS8748 - Alliance Bank            | \$566,768.71 |
| 13030-TS7048 - Alliance Loan            | \$11.50      |
| 13030-TS8808 - Alliance Loan Sec.       | \$6.53       |
| 13030-04143114 - PPB Reserve Loan Funds | \$255,030.70 |

**Total Reserves Accounts** **\$871,583.08**

### Other Assets

|   |               |
|---|---------------|
| 15100 - Owner Receivables                 | \$25,521.97   |
| 15101 - Allowance for doubtful Receivable | (\$41,097.00) |
| 15400 - Due to/from Operating             | \$896,411.78  |
| 15450 - BOD Purchase Pending Receipt      | \$873.78      |
| 16100 - Prepaid Insurance                 | \$8,256.00    |

**Total Other Assets** **\$889,966.53**

**Total Assets** **\$1,772,983.44**

### Current Liabilities

|                                   |               |
|-----------------------------------|---------------|
| 21500 - Due to Reserves           | \$896,411.78  |
| 22000 - Accounts Payable          | \$466,630.28  |
| 22030 - Accrued Payroll           | \$6,559.85    |
| 22500 - Prepaid Owner Assessments | \$24,947.36   |
| 22600 - Loans Payable             | (\$81,488.95) |
| 22605 - Loan Payable - CIT        | \$849,299.98  |

**Total Current Liabilities** **\$2,162,360.30**

### Reserve Equity

|                                       |              |
|---------------------------------------|--------------|
| 33300 - Reserves                      | \$51,309.37  |
| 33310 - Reserve - Interest            | \$1,559.22   |
| 33320 - Reserve Interest              | \$1,916.66   |
| 34000 - Reserve Expense               | \$125,739.92 |
| 34036 - Reserves - Exterior Building  | \$620,071.28 |
| 34038 - Reserve Expense Loan Interest | (\$167.43)   |
| 34040 - Reserve - Amortization        | (\$3,005.00) |
| 34502 - Reserve- Consultant           | \$27,467.46  |
| 34503 - Reserves - Electrical         | \$2,341.12   |

**Total Reserve Equity** **\$827,232.60**

### Other Equity

|                           |                  |
|---------------------------|------------------|
| 33000 - Retained Earnings | (\$1,175,638.71) |
| 39999 - Net Income (Loss) | (\$40,970.75)    |

**Total Other Equity** **(\$1,216,609.46)**

**Total Liabilities / Equity** **\$1,772,983.44**



# Council of Co-Owners of Strathmore Tower Condominium

Insurance Dec Page







This policy is issued by the following GNY Company:

## **Insurance Company of Greater New York**

This policy jacket with the policy forms, declarations page and endorsements, if any, issued to form a part thereof, completes the policy.



**DESIGNATION OF PREMISES SCHEDULE  
 COMMERCIAL LINES POLICY  
 THIS POLICY IS ISSUED BY THE  
 INSURANCE COMPANY OF GREATER NEW YORK**

| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>         INC.</b> |              | <b>EFFECTIVE DATE</b><br>07-01-22   | POLICY NUMBER <b>6119M36270</b><br>ENDORSEMENT NUMBER |
|---|--------------|---|---|
| LOC.<br>NO.   | BLDG.<br>NO. | DESIGNATED PREMISES<br>(ADDRESS, CITY, STATE)   | OCCUPANCY   |
| 001   | 001          | 6210 PARK HEIGHTS AVE, BALTIMORE, MD<br>21215-3626<br>APPLIES TO: GENERAL LIABILITY, PROPERTY<br>NUMBER OF STORIES: 009 | CONDO/GAR/MERC<br>CONDO/GAR/MERC                      |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF FORMS AND ENDORSEMENTS

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|   |       |  |
|---|-------|--|
| <b>NAMED INSURED</b><br>STRATHMORE TOWER CONDOMINIUM,<br>INC.           |       | <b>POLICY NUMBER</b> 6119M36270<br><br><b>ENDORSEMENT NUMBER</b> |
|   |       | <b>COUNTERSIGNED BY:</b><br>_____<br>AUTHORIZED REPRESENTATIVE   |
| <b>SCHEDULE OF FORMS &amp; ENDORSEMENTS</b><br>EFFECTIVE DATE: 07-01-22 |       | <b>POLICY PERIOD: FROM:</b> 07-01-2022<br><b>TO:</b> 07-01-2023  |
| <b>COMMON POLICY FORMS AND ENDORSEMENTS</b>                             |       |  |
| INSCO PJ  | 09-21 | POLICY JACKET  |
| GNY 001   | 09-91 | COMMON POLICY DECLARATIONS                                       |
| GNY 002   | 06-91 | DESIGNATION OF PREMISES SCHEDULE                                 |
| GNY 003A  | 07-09 | SCHEDULE OF FORMS AND ENDORSEMENTS                               |
| IL 00 03  | 09-08 | CALCULATION OF PREMIUM   |
| IL 00 17  | 11-98 | COMMON POLICY CONDITIONS   |
| IL 00 21  | 09-08 | NUCLEAR ENERGY LIABILITY EXCLUSION ENDT                          |
| IL 02 07  | 12-17 | MARYLAND CHANGES   |
| IL 09 35  | 07-02 | EXCL OF CERTAIN COMPUTER- RELATED LOSSES                         |
| IL 09 52  | 01-15 | CAP/LOSSES FROM CERTIFIED ACTS OF TERROR                         |
| IL 09 85  | 12-20 | DISCLOSURE PURSUANT/TERROR RISK INS ACT                          |
| <b>PROPERTY FORMS AND ENDORSEMENTS</b>                                  |       |  |
| CP CYBEX  | 07-20 | CYBER INCIDENT EXCLUSION   |
| GNY 004   | 11-20 | COMMERCIAL PROPERTY COVERAGE PART                                |
| GNY 005   | 06-91 | COMMERCIAL PROPERTY COVERAGE PART                                |
| GNYCP 03  | 01-18 | EQUIPMENT BREAKDOWN ENHANCEMENT ENDT                             |
| PF-MORT   | 01-97 | SCHEDULE OF MORTGAGE HOLDER(S)                                   |
| XREPCST   | 03-05 | EXTENDED REPLACEMENT COST ENDORSEMENT                            |
| CP 00 30  | 10-12 | BUSINESS INCOME COVERAGE (&/EX EXP)                              |
| PROG H  | 12-18 | PROTECTO-GUARD ENHANCED ENDT FOR HABITAT                         |
| PROLIM  | 12-18 | ADDITIONAL LIMITS ENDT-PROTECTO-GUARD                            |
| CP 00 17  | 10-12 | CONDOMINIUM ASSOCIATION COVERAGE FORM                            |
| CP 00 90  | 07-88 | COMMERCIAL PROPERTY CONDITIONS                                   |
| CP 01 40  | 07-06 | EXCL OF LOSS DUE TO VIRUS OR BACTERIA                            |
| CP 04 11  | 09-17 | PROTECTIVE SAFEGUARDS  |
| CP 10 30  | 09-17 | CAUSES OF LOSS - SPECIAL FORM                                    |
| CP 17 03  | 10-09 | MD CHNGS-CONDO ADDITIONAL PROVISIONS                             |
| <b>GENERAL LIABILITY FORMS AND ENDORSEMENTS</b>                         |       |  |
| GNY 020   | 11-20 | GENERAL LIABILITY DECLARATIONS                                   |
| GNY 021   | 06-91 | GENERAL LIABILITY SCHEDULE                                       |
| CG 21 32  | 05-09 | COMMUNICABLE DISEASE EXCLUSION                                   |
| CG 00 01  | 04-13 | COMMERCIAL GENERAL LIABILITY COV FORM                            |
| CG 02 01  | 12-17 | MARYLAND CHANGES   |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF FORMS AND ENDORSEMENTS

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|   |       |  |
|---|-------|--|
| <b>NAMED INSURED</b><br>STRATHMORE TOWER CONDOMINIUM,<br>INC.           |       | <b>POLICY NUMBER</b> 6119M36270<br><br><b>ENDORSEMENT NUMBER</b> |
|   |       | <b>COUNTERSIGNED BY:</b><br>_____<br>AUTHORIZED REPRESENTATIVE   |
| <b>SCHEDULE OF FORMS &amp; ENDORSEMENTS</b><br>EFFECTIVE DATE: 07-01-22 |       | <b>POLICY PERIOD: FROM:</b> 07-01-2022<br><b>TO:</b> 07-01-2023  |
| CG 21 16  | 04-13 | EXCL-DESIGNATED PROFESSIONAL SERVICES                            |
| CG 21 65  | 12-04 | TOTAL POLLUTION EXCL-WITH EXCEPTIONS                             |
| CG 26 73  | 12-04 | MARYLAND CHANGES-PREMIUM AUDIT CONDITION                         |
| CG 81 02  | 02-05 | BASIC CONSTRUCTION EXCLUSION                                     |
| CGU-001   | 02-05 | HIRED AUTO AND NON-OWNED AUTO LIABILITY                          |
| PROG H GL   | 10-20 | PROTECTO-GUARD ENH GL COV ENDT FOR HAB                           |
| XPUNDAM   | 06-13 | EXCLUSION FOR PUNITIVE DAMAGES AND SIMIL                         |
| EPLIDEC   | 10-07 | COMMERCIAL EMPLOYMENT PRACTICES DEC PAGE                         |
| EPLI MD   | 10-07 | EMPLOYMENT PRACTICES LIAB INS COV                                |
| CG 21 47  | 12-07 | EMPLOYMENT-RELATED PRACTICES EXCLUSION                           |
| CG 21 67  | 12-04 | FUNGI OR BACTERIA EXCLUSION                                      |
| GLU-113   | 02-05 | ASBESTOS HAZARD EXCLUSION ENDT                                   |
| CG 21 70  | 01-15 | CAP LOSSES FROM CERTIF ACTS OF TERRORISM                         |
| CG 01 41  | 03-11 | MARYLAND - CONDOMINIUMS  |
| CG 21 07  | 05-14 | EXCL-ACC/DISCL OF CONFI OR PERSONAL INFO                         |
| CG 21 09  | 06-15 | EXCLUSION - UNMANNED AIRCRAFT                                    |
| CG 21 54  | 12-19 | EXCL-DESIG OPS COVRD BY WRAP-UP INS PROG                         |
| CG 40 10  | 12-19 | EXCLUSION - CROSS SUITS LIABILITY                                |
| <b>AUTOMOBILE FORMS AND ENDORSEMENTS</b>                                |       |  |
| BAU DEC1  | 11-20 | BUSINESS AUTO COVERAGE FORM DECLARATIONS                         |
| CA 00 01  | 10-13 | BUSINESS AUTO COVERAGE FORM                                      |
| CA 02 15  | 12-17 | MARYLAND CANCELLATION CHANGES                                    |
| PA 02 16  | 12-17 | MARYLAND CHANGES - CANC AND NONRENEWAL                           |
| CA 00 47  | 06-03 | MARYLAND WAR EXCLUSION   |
| CA 23 45  | 11-20 | PUBLIC LIVERY & ON-DEMAND DELIVRY EXCL                           |
| CA 99 37  | 10-13 | GARAGEKEEPERS COVERAGE   |
| <b>POLICYHOLDER JACKETS</b>   |       |  |
| INSCO PJ  | 09-21 | POLICY JACKET  |

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMMON POLICY DECLARATIONS (Continued)

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

| <b>NAMED INSURED</b><br>STRATHMORE TOWER CONDOMINIUM,<br>INC.   | <b>POLICY NUMBER 6119M36270</b><br><b>ENDORSEMENT NUMBER</b>   |                |                       |                    |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
|---|--|----------------|-----------------------|--------------------|------------------|--------------------|--------------------|--|-----------|--|-----------|--------------------|--|----------|--|----------|--------------------|--|----------|--|----------|--------------------|--|----------|--|----------|
|   | <b>COUNTERSIGNED BY:</b><br>_____<br><b>AUTHORIZED REPRESENTATIVE</b>  |                |                       |                    |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| <b>COMMON POLICY DECLARATIONS (Continued)</b><br><b>EFFECTIVE DATE: 07-01-2022</b>  | <b>POLICY PERIOD: FROM: 07-01-2022</b><br><b>TO: 07-01-2023</b>  |                |                       |                    |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| <b>THIS ENDORSEMENT IS USED AS AN OVERFLOW FOR FIELDS ON THE DECLARATIONS PAGE NOT LARGE ENOUGH FOR THE NECESSARY INFORMATION AND TO LIST OPTIONAL COVERAGES.</b> |  |                |                       |                    |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| <b>IT IS HEREBY AGREED AND UNDERSTOOD THAT THIS POLICY IS PAYABLE ON INSTALLMENTS AS FOLLOWS:</b>   |  |                |                       |                    |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
|   | <table><thead><tr><th><b>DUE</b></th><th><b>PREVIOUS TOTAL</b></th><th><b>PREMIUM</b></th><th><b>SURCHARGE</b></th><th><b>GRAND TOTAL</b></th></tr></thead><tbody><tr><td>DEPOSIT 07/01/2022</td><td></td><td>10,561.00</td><td></td><td>10,561.00</td></tr><tr><td>INSTALL 10/01/2022</td><td></td><td>7,835.00</td><td></td><td>7,835.00</td></tr><tr><td>INSTALL 01/01/2023</td><td></td><td>7,835.00</td><td></td><td>7,835.00</td></tr><tr><td>INSTALL 04/01/2023</td><td></td><td>7,835.00</td><td></td><td>7,835.00</td></tr></tbody></table> | <b>DUE</b>     | <b>PREVIOUS TOTAL</b> | <b>PREMIUM</b>     | <b>SURCHARGE</b> | <b>GRAND TOTAL</b> | DEPOSIT 07/01/2022 |  | 10,561.00 |  | 10,561.00 | INSTALL 10/01/2022 |  | 7,835.00 |  | 7,835.00 | INSTALL 01/01/2023 |  | 7,835.00 |  | 7,835.00 | INSTALL 04/01/2023 |  | 7,835.00 |  | 7,835.00 |
| <b>DUE</b>  | <b>PREVIOUS TOTAL</b>  | <b>PREMIUM</b> | <b>SURCHARGE</b>      | <b>GRAND TOTAL</b> |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| DEPOSIT 07/01/2022  |  | 10,561.00      |                       | 10,561.00          |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| INSTALL 10/01/2022  |  | 7,835.00       |                       | 7,835.00           |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| INSTALL 01/01/2023  |  | 7,835.00       |                       | 7,835.00           |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| INSTALL 04/01/2023  |  | 7,835.00       |                       | 7,835.00           |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |
| <b>THERE IS A \$10 SERVICE FEE FOR EACH PREMIUM INSTALLMENT. THIS FEE IS NOT INCLUDED IN THE PREMIUMS SHOWN ABOVE.</b>  |  |                |                       |                    |                  |                    |                    |  |           |  |           |                    |  |          |  |          |                    |  |          |  |          |                    |  |          |  |          |



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

## **CALCULATION OF PREMIUM**

This endorsement modifies insurance provided under the following:

CAPITAL ASSETS PROGRAM (OUTPUT POLICY) COVERAGE PART  
COMMERCIAL AUTOMOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
COMMERCIAL INLAND MARINE COVERAGE PART  
COMMERCIAL PROPERTY COVERAGE PART  
CRIME AND FIDELITY COVERAGE PART  
EMPLOYMENT-RELATED PRACTICES LIABILITY COVERAGE PART  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART

The following is added:

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

## 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.**

## **NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT**

(Broad Form)

This endorsement modifies insurance provided under the following:

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

1. The insurance does not apply:
  - A. Under any Liability Coverage, to "bodily injury" or "property damage":
    - (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
    - (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
  - B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
  - C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
    - (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
    - (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured"; or
    - (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.
2. As used in this endorsement:
 

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material", "special nuclear material" or "by-product material".

"Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".

"Waste" means any waste material **(a)** containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and **(b)** resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".

"Nuclear facility" means:

- (a)** Any "nuclear reactor";
- (b)** Any equipment or device designed or used for **(1)** separating the isotopes of uranium or plutonium, **(2)** processing or utilizing "spent fuel", or **(3)** handling, processing or packaging "waste";

- (c)** Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- (d)** Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

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

## **MARYLAND CHANGES**

This endorsement modifies insurance provided under the following:

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

- 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.
- B.** The **Cancellation** Common Policy Condition is amended as follows:
1. Paragraphs **2.** and **3.** are replaced by the following:
    - a.** When this Policy has been in effect for 45 days or less and is not a renewal policy, we may cancel this Policy by mailing to the first Named Insured at the last mailing address known to us written notice of cancellation, stating the reason for cancellation, at least:
      - (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
      - (2)** 15 days before the effective date of cancellation if we cancel because the risk does not meet our underwriting standards.
    - b.** When this Policy has been in effect for more than 45 days or is a renewal policy, we may cancel this Policy by mailing to the first Named Insured at the last mailing address known to us written notice of cancellation at least:
      - (1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
  - (2)** 45 days before the effective date of cancellation if we cancel for a permissible reason other than nonpayment of premium, stating the reason for cancellation. Under this Paragraph **(2)**, we may cancel only for one or more of the following reasons:
    - (a)** When there exists material misrepresentation or fraud in connection with the application, policy, or presentation of a claim.
    - (b)** A change in the condition of the risk that results in an increase in the hazard insured against.
    - (c)** A matter or issue related to the risk that constitutes a threat to public safety.

If we cancel pursuant to Paragraph **b.(2)**, you may request additional information on the reason for cancellation within 30 days from the date of our notice.
- 2.** Paragraph **5.** is replaced by the following:  
 If this Policy is cancelled, we will send the first Named Insured any premium refund due.
- a.** The refund will be pro rata if:
    - (1)** We cancel; or
    - (2)** The Policy is not a renewal policy, and the first Named Insured cancels upon receiving written notice that we recalculated the premium based on the discovery of a material risk factor during the first 45 days the Policy has been in effect.

b. If the first Named Insured cancels, other than the cancellation described in Paragraph **a.(2)**, the refund will be calculated as follows:

**(1) Policies Written For One Year Or Less**

We will refund 90% of the pro rata unearned premium.

**(2) Policies Written For More Than One Year**

**(a)** If the Policy is cancelled in the first year, we will refund 90% of the pro rata unearned premium for the first year, plus the full annual premium for subsequent years.

**(b)** If the Policy is cancelled after the first year, we will refund the pro rata unearned premium.

**(3) Continuous And Annual Premium Payment Policies**

We will refund 90% of the pro rata unearned premium for the year in which the Policy is cancelled.

We will retain the minimum premium, except if the Policy is cancelled as of the inception date.

However, if this Policy is financed by a premium finance company and we or the premium finance company or the first Named Insured cancels the Policy, the refund will consist of the gross unearned premium computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the insurance commissioner.

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

**C.** Paragraph **6.** of the **Cancellation** Common Policy Condition is replaced by the following, except as provided in Paragraph **D.** of this endorsement.

We will send notice of cancellation to the first Named Insured by a "first-class mail tracking method" if:

- a. We cancel for nonpayment of premium; or
- b. This Policy is not a renewal of a policy we issued and has been in effect for 45 days or less.

We will send notice to the first Named Insured by a "first-class mail tracking method" or by commercial mail delivery service if we cancel for a reason other than nonpayment of premium and this Policy:

- a. Is a renewal of a policy we issued; or
- b. Has been in effect for more than 45 days.

We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.

**D.** With respect to the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form, Paragraph **6.** of the **Cancellation** Common Policy Condition is replaced by the following:

We will send notice to the first Named Insured by a "first-class mail tracking method" if we cancel the Policy. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service. Proof of mailing will be sufficient proof of notice.

**E.** The following condition is added, except as provided in Paragraph **F.** of this endorsement.

**Nonrenewal**

- 1. We may elect not to renew this Policy by mailing notice of nonrenewal to the first Named Insured at the last mailing address known to us at least 45 days before the expiration date of this Policy.
- 2. We will send notice of nonrenewal to the first Named Insured by a "first-class mail tracking method" or by commercial mail delivery service. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.
- 3. When we elect not to renew a policy that has been in effect for more than 45 days for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew. You may request additional information within 30 days from the date of our notice.

4. If we offer to renew at least 45 days before the renewal date and you fail to make the required premium payment by the renewal date, the Policy will terminate on the renewal date for nonpayment of premium.
- F. With respect to the Farm Property – Farm Dwellings, Appurtenant Structures And Household Personal Property Coverage Form, the following condition is added:
- Nonrenewal**
1. We may elect not to renew this Policy by mailing notice of nonrenewal to the first Named Insured at the last mailing address known to us at least 45 days before the expiration date of this Policy.
  2. We will send notice of nonrenewal to the first Named Insured by a "first-class mail tracking method". We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service. Proof of mailing will be sufficient proof of notice.
  3. When we elect not to renew a policy that has been in effect for more than 45 days for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew.
- G. The following is added to the **Legal Action Against Us** Condition and supersedes any other provision to the contrary:
- In addition to any other requirement for bringing a legal action against us, the action must be brought within three years from the date it accrues.

- H. The **Concealment, Misrepresentation Or Fraud** Condition is replaced by the following:

**Concealment, Misrepresentation Or Fraud**

We do not provide coverage in any case of fraud by you, at any time, as it relates to this insurance. We also do not provide coverage if you or any other insured ("insured"), at any time, intentionally conceals or misrepresents a material fact concerning:

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

- I. The following definition is added:

"First-class mail tracking method" means a method that provides evidence of the date that a piece of first-class mail was accepted for mailing by the United States Postal Service, including a certificate of mail and an electronic mail tracking system used by the United States Postal Service.

"First-class mail tracking method" does not include a certificate of bulk mailing.



**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.**

## **CAP ON LOSSES FROM 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  
EQUIPMENT BREAKDOWN COVERAGE PART  
FARM COVERAGE PART  
STANDARD PROPERTY POLICY

### **A. Cap On Certified Terrorism Losses**

"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.

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.

### **B. Application Of Exclusions**

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

**THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.**

**DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT**

**SCHEDULE**

| <b>SCHEDULE – PART I</b>   |                 |
|--|-----------------|
| <b>Terrorism Premium (Certified Acts)</b>  | <u>\$333.00</u> |
| <b>This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(ies):</b> |                 |
| COMMERCIAL PROPERTY  |                 |
| COMMERCIAL GENERAL LIABILITY   |                 |
| <br><b>Additional information, if any, concerning the terrorism premium:</b>   |                 |
| <br><br><br><br><br><br><br><br><br><br>   |                 |
| <b>SCHEDULE – PART II</b>  |                 |
| <b>Federal share of terrorism losses</b>   | <b>80 %</b>     |
| <i>(Refer to Paragraph B. in this endorsement.)</i>  |                 |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.                                       |                 |

**A. Disclosure Of Premium**

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

**B. Disclosure Of Federal Participation In Payment Of Terrorism Losses**

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

**C. Cap On Insurer Participation In Payment Of Terrorism Losses**

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.

## NOTICE TO APPLICANTS IN MARYLAND REGARDING CANCELLATION AND PREMIUM RECALCULATION

**CAUTION:** No coverage is provided by this notice; nor can it be construed to replace any provision of your policy. You should read your policy and review your Declarations Page for complete information on the coverages you are provided. If there is a conflict between the policy and this notice, THE PROVISIONS OF THE POLICY SHALL PREVAIL. PLEASE READ YOUR POLICY CAREFULLY.

The binder or policy you have just agreed to purchase is subject to a 45-day underwriting review period beginning on the effective date of your coverage. If your risk meets our underwriting standards and we discover a material risk factor during the 45-day underwriting period, we shall recalculate the premium for the policy or binder based on the material risk factor. If we decide to recalculate your premium, we will send you a written Notice advising you of the amount of the recalculated premium, the reason(s) for the recalculation and your right to terminate the policy.

If your risk does not meet our underwriting standards, your coverage may be cancelled during the underwriting review period. If we decide to cancel the binder or policy, we will send you a written Notice of Cancellation advising you of the reason(s) for the cancellation and the date on which your policy will be cancelled.

## MARYLAND FRAUD STATEMENT

Any person who knowingly or willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly or willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

# GREATER NEW YORK INSURANCE GROUP

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CYBER INCIDENT EXCLUSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL PROPERTY COVERAGE PART

**A. The following exclusion is added to Paragraph B. Exclusions:**

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

**Cyber Incident**

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

**B. Exceptions And Limitations**

**1. Fire Or Explosion**

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

**2. Additional Coverage**

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided for such incidents in the:

- a. Additional Coverage – Electronic Data;
- b. Additional Coverage – Interruption Of Computer Operations;
- c. Additional Coverage – Computer Fraud Coverage or
- d. Additional Coverage – Computer Coverage

**3. Electronic Commerce Endorsement**

The exclusions in Paragraph **A.** does not apply to the Electronic Commerce (E-Commerce) endorsement when attached to your policy.

**4. Equipment Breakdown Enhancement Endorsement**

The exclusions in Paragraph **A.** do not apply to the following coverages in the Equipment Breakdown Enhancement Endorsement when attached to your policy:

- a. Computer Equipment;
- b. Data Restoration; or
- c. Unauthorized Instruction.

**C. Vandalism**

The following is added to Vandalism, if Vandalism coverage is not otherwise excluded under the Standard Property Policy or the Causes Of Loss – Basic, Broad or Special Forms and if applicable to the premises described in the Declarations:

Vandalism does not include a cyber incident as described in Paragraph **A.**

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## COMMERCIAL PROPERTY DECLARATIONS COMMERCIAL PROPERTY COVERAGE PART

THIS POLICY IS ISSUED BY THE  
INSURANCE COMPANY OF GREATER NEW YORK

| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>   |          | EFFECTIVE DATE<br>07/01/2022                   | POLICY NUMBER 6119M36270<br>ENDORSEMENT NUMBER |                       |        |
|--|----------|--|--|-----------------------|--------|
| DESCRIPTION OF PREMISES: SEE DESIGNATION OF PREMISES SCHEDULE<br>COVERAGE PROVIDED: INSURANCE AT THE DESCRIBED LOCATION APPLIES ONLY FOR COVERAGE FOR WHICH A LIMIT OF INSURANCE IS SHOWN.<br>OPTIONAL COVERAGES: APPLICABLE ONLY WHEN SHOWN BY "X" IN THE SCHEDULE BELOW.   |          |  |  |                       |        |
| LOC. NO.   | BLDG NO. | COVERAGE/CONSTRUCTION                          | LIMIT OF INSURANCE                             | COVERED CAUSE OF LOSS | COINS. |
| 001  | 001      | BUILDING<br>FIRE-RESISTIVE                     | \$ 20,000,000                                  | SPECIAL               | 100    |
| <b>OTHER PROVISIONS</b>  |          |  |  |                       |        |
| TERRITORY: 003 PROTECTION CLASS: 01 OCCUPANCY: CONDO/GAR/MERC <input type="checkbox"/> INFLATION GUARD: %<br><input checked="" type="checkbox"/> AGREED VALUE: \$ 20,000,000 EXPIRATION DATE: 07/01/23 <input checked="" type="checkbox"/> REPLACEMENT COST <input type="checkbox"/> INCLUDING "STOCK"<br><input type="checkbox"/> BUSINESS INCOME INDEMNITY: MONTHLY LIMIT PERIOD: MAX. EXT. DAYS BI MEDIA:<br>DEDUCTIBLE: 5,000 EARTHQUAKE DEDUCTIBLE: EXCEPTIONS: |          |  |  |                       |        |
| LOC. NO.   | BLDG NO. | COVERAGE/CONSTRUCTION                          | LIMIT OF INSURANCE                             | COVERED CAUSE OF LOSS | COINS. |
| 001  | 001      | BUSINESS PERS PROP<br>FIRE-RESISTIVE           | \$ 100,000                                     | SPECIAL               | 90     |
| <b>OTHER PROVISIONS</b>  |          |  |  |                       |        |
| TERRITORY: 003 PROTECTION CLASS: 01 OCCUPANCY: CONDO/GAR/MERC <input type="checkbox"/> INFLATION GUARD: %<br><input type="checkbox"/> AGREED VALUE: EXPIRATION DATE: 07/01/23 <input checked="" type="checkbox"/> REPLACEMENT COST <input checked="" type="checkbox"/> INCLUDING "STOCK"<br><input type="checkbox"/> BUSINESS INCOME INDEMNITY: MONTHLY LIMIT PERIOD: MAX. EXT. DAYS BI MEDIA:<br>DEDUCTIBLE: 5,000 EARTHQUAKE DEDUCTIBLE: EXCEPTIONS:               |          |  |  |                       |        |
| LOC. NO.   | BLDG NO. | COVERAGE/CONSTRUCTION                          | LIMIT OF INSURANCE                             | COVERED CAUSE OF LOSS | COINS. |
| 001  | 001      | BUS INC (III) INCL EXTRA EXP<br>FIRE-RESISTIVE | \$ 300,000                                     | SPECIAL               | 100    |
| <b>OTHER PROVISIONS</b>  |          |  |  |                       |        |
| TERRITORY: 003 PROTECTION CLASS: 01 OCCUPANCY: CONDO/GAR/MERC <input type="checkbox"/> INFLATION GUARD: %<br><input type="checkbox"/> AGREED VALUE: EXPIRATION DATE: 07/01/23 <input type="checkbox"/> REPLACEMENT COST <input type="checkbox"/> INCLUDING "STOCK"<br><input type="checkbox"/> BUSINESS INCOME INDEMNITY: MONTHLY LIMIT PERIOD: MAX. EXT. DAYS BI MEDIA:<br>DEDUCTIBLE: EARTHQUAKE DEDUCTIBLE: EXCEPTIONS:   |          |  |  |                       |        |
| LOC. NO.   | BLDG NO. | COVERAGE/CONSTRUCTION                          | LIMIT OF INSURANCE                             | COVERED CAUSE OF LOSS | COINS. |
|  |          |  |  |                       |        |
| <b>OTHER PROVISIONS</b>  |          |  |  |                       |        |
| TERRITORY: PROTECTION CLASS: OCCUPANCY: <input type="checkbox"/> INFLATION GUARD: %<br><input type="checkbox"/> AGREED VALUE: EXPIRATION DATE: <input type="checkbox"/> REPLACEMENT COST <input type="checkbox"/> INCLUDING "STOCK"<br><input type="checkbox"/> BUSINESS INCOME INDEMNITY: MONTHLY LIMIT PERIOD: MAX. EXT. DAYS BI MEDIA:<br>DEDUCTIBLE: EARTHQUAKE DEDUCTIBLE: EXCEPTIONS:  |          |  |  |                       |        |

**COMMERCIAL PROPERTY DECLARATIONS  
COMMERCIAL PROPERTY COVERAGE PART (CONTINUED)**

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|  |  |   |
|--|--|---|
| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>         | <b>EFFECTIVE</b> DATE<br><b>07-01-22</b> | POLICY NUMBER <b>6119M36270</b><br>ENDORSEMENT NUMBER |
| <b>FORMS APPLICABLE:</b><br><br>See Schedule of Forms and Endorsements |  |   |
| <b>MORTGAGE HOLDERS:</b><br><br>See Schedule of Mortgage Holder(s)     |  |   |
| <b>LOSS PAYEES:</b><br><br>See Schedule of Loss Payee(s)               |  |   |
| TAX OR SURCHARGE:  |  | \$  |
| <b>TOTAL</b>   | ANNUAL PREMIUM - THIS COVERAGE PART:     | \$ <b>30,114.00</b>                                   |
|  |  |   |

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

## **EQUIPMENT BREAKDOWN ENHANCEMENT ENDORSEMENT**

As respects the coverage provided by this **Equipment Breakdown Enhancement Endorsement**, the coverage provided in the following Coverage Forms is modified.

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CAUSES OF LOSS – BASIC FORM  
CAUSES OF LOSS – BROAD FORM  
CAUSES OF LOSS - SPECIAL FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
COMMERCIAL PROPERTY CONDITIONS FORM  
WATER EXCLUSION FORM**

### **AMENDMENTS TO THE COMMERCIAL PROPERTY CONDITIONS FORM**

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following replaces **C. INSURANCE UNDER TWO OR MORE COVERAGES**:

If the Equipment Breakdown Enhancement Endorsement and one of the following:

- Movie Theater Specialty Coverage Endorsement;
- Habitational Specialty Coverage Endorsement;
- Manufactures' Specialty Endorsement;
- Package Enhanced Coverage Endorsement

applies to the same loss or damage, the limits provided by the Endorsements will not be added together. The most we will pay is the higher of the two limits. In all other cases, 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.

### **AMENDMENTS TO THE BUILDING AND PERSONAL PROPERTY AND CONDOMINIUM ASSOCIATION COVERAGE FORMS**

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following is added to **2. Property Not Covered** under **A. Coverage**:

- r. Insulating or refractory material;
- s. Structure, foundation, cabinet or compartment containing the object;
- t. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
- u. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; felt, wire, screen, die, extrusion, plate, swing hammer, grinding disc, cutting blade, cable, chain, belt, rope, clutch plate, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following is added to **d. Pollutant Clean Up and Removal** under **A.4. Additional Coverage**:

#### **d. Pollutant Clean Up and Removal**

We will pay for the Pollutant Clean Up and Removal for loss resulting from an "Equipment Breakdown". The most we will pay for the Pollutant Clean Up and Removal is **\$250,000**. Any amount we pay under this Pollutant Clean Up and Removal Additional Coverage is subject to, is a part of, and is not in

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addition to the applicable Limit of Insurance for Covered Property.

Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$250,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property.

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 at your covered location(s).

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following are added to **A.4. Additional Coverage**:

**g. Expediting Expenses**

We will pay for the expediting expense loss resulting from an "Equipment Breakdown" with respect to your damaged Covered Property. We will pay the reasonable extra cost to:

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

"Reasonable extra cost" shall mean the extra cost of temporary repair and of expediting the repair of such damaged equipment of the insured, including overtime and the extra cost of express or other rapid means of transportation. This will be a part of and not an addition to the limit per loss.

"Expediting Expenses" shall mean – only to the extent it reduces the amount of loss that otherwise would have been payable under this "Equipment Breakdown" coverage.

Any amount we pay under this Expediting Expenses Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more than the applicable Limit of Insurance for Covered Property.

**h. Refrigerant Contamination**

We will pay for direct physical loss or damage to Covered Property due to contamination by refrigerant (including ammonia) used in refrigerating, cooling or humidity controlled equipment at the described premises as a result of an "Equipment Breakdown".

The most we will pay for the sum of all direct loss or damage and business income and extra expense under this coverage is **\$250,000**. Any amount we pay under this Refrigerant Contamination Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$250,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property.

**i. Spoilage**

We will pay for loss of "perishable goods" due to spoilage resulting from lack or excess of power, light, heat, steam or refrigeration caused by an "Equipment Breakdown" to types of property covered by this policy, that are:

- (1) Located on or within 1,000 feet of your described premises; and
- (2) Owned or used by you, owned by the building owner at your described premises, or owned by a public utility.

However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

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Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

The most we will pay for loss or damage under this coverage is **\$250,000**. Any amount we pay under this Spoilage Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$250,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property.

#### **j. Temperature Fluctuation**

We will pay for loss of "perishable goods" only caused by or resulting from any condition or event to Covered Property that can be resolved by calibrating, resetting, tightening, adjusting or cleaning. However, we will not pay for loss of "perishable goods" as a result of resetting the power supply to the Covered Property containing the "perishable goods".

The most we will pay for the sum of all direct loss or damage and business income and extra expense under this coverage is **\$5,000**. Any amount we pay under this Temperature Fluctuation Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$5,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property.

#### **k. CFC Refrigerants**

We will pay for the additional cost to repair or replace Covered Property because of the use or presence of a refrigerant containing CFC (chlorofluorocarbon) substances resulting from an "Equipment Breakdown". Additional costs mean those in excess of what would have been required to repair or replace covered property, had no CFC refrigerant been involved. We also pay for additional loss as described under the Spoilage or Loss of Income Coverages provided by this endorsement, caused by the presence of a refrigerant containing CFC substances.

We pay no more than the least of the following but not to exceed policy limit:

- (1) The cost to repair the damaged property and replace any lost CFC refrigerant;
- (2) The cost to repair the damaged property, retrofit the system to accept a non-CFC refrigerant, and charge the system with a non-CFC refrigerant; or
- (3) The cost to replace the system with one using a non-CFC refrigerant.

Any amount we pay under this CFC Refrigerants Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more than the applicable Limit of Insurance for Covered Property.

#### **l. Computer Equipment**

We will pay for loss or damage to your "computer equipment" caused by an "Equipment Breakdown".

"Computer equipment" means Covered Property that is electronic computer or other data processing equipment, including peripherals used in conjunction with such equipment, and electronic media and records.

Any amount we pay under this "Computer Equipment" Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional

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Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more than the applicable Limit of Insurance for Covered Property.

**m. Off Premises Services Interruption**

- a.** For coverage provided by this endorsement, with respect to your damaged Covered Property, we will pay for loss or damage caused by the Interruption of Services to the premises described in the Declarations. The interruption must result from direct physical loss or damage by an "Equipment Breakdown" to property not on the described premises that provided the following services:
- (1) "Water Supply Services", meaning the following types of property supplying water to the premises described in the Declarations:
    - (a) Pumping stations
    - (b) Water mains.
  - (2) "Communications Supply Service", means property supplying communication services including telephone, radio, microwave or television services to the premises described in the Declarations such as:
    - (a) Communication transmission lines
    - (b) Coaxial cables; or
    - (c) Microwave radio relays except satellitesIt does not include overhead transmissions lines.
  - (3) "Power Supply Service" means the following types of property supplying electricity, steam or gas to the premises described in the Declarations:
    - (a) Utility generating plants;
    - (b) Switching stations;
    - (c) Substations;
    - (d) Transformers;
    - (e) Distribution lines;
    - (f) Underground transmission lines."Power Supply Service" does not include overhead transmission lines.

- b.** However, we will not pay for any loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.

**c. Deductibles:**

- (1) For Business Income and Extra Expense, we will only pay for the loss you sustain after the first **12** hours following the direct physical loss or damage to the off premises property to which this Additional Coverage applies.
- (2) For Direct damage losses, a **\$1,000** per occurrence deductible applies.

The most we will pay for the sum of all loss, damage, business income and extra expense under this Additional Coverage is **\$250,000**. Any amount we pay under this Off-Premises Services Interruption Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$250,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property. The Coinsurance Condition does not apply to this Additional Coverage.

Exclusion **B.1.e.** of the Causes of Loss Coverage Form attached to your policy does not apply to this Additional Coverage.

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**n. Data Restoration**

We will pay for your reasonable and necessary cost to research, replace and restore “data”, including programs and operating systems that are lost as a result of an “Equipment Breakdown”. The most we will pay for loss or damage under this coverage is **\$250,000**. This Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$250,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property.

Only for the purposes of the coverage provided under this Data Restoration Additional Coverage, direct physical loss or damage to “data” resulting from an “Equipment Breakdown” includes erasure, derangement (scrambling), or failure of such programs and operating systems to function in the fashion for which it was designed.

Only for the purposes of the coverage provided by this Data Restoration Additional Coverage, “data” means any information that is electronically magnetically or optically stored, recorded or installed for use in your information systems or data processing operations.

**o. Unauthorized Instruction**

We will pay for loss or damage to your “computer equipment” caused by an “unauthorized instruction” which results in an “equipment breakdown”.

Any amount we pay under this Unauthorized Instruction Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more than the applicable Limit of Insurance for Covered Property.

“Unauthorized instruction” means a virus, harmful code or similar instruction introduced into or enacted on a computer system or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation.

**p. Service Interruption**

Any insurance provided for Business Income, Extra Expense or Data Restoration is extended to apply to your loss, damage or expense caused by an “equipment breakdown” to equipment that is owned by a utility, landlord or other supplier with whom you have a contract to supply 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, data transmission or “cloud computing”. The equipment must meet the definition of “equipment breakdown” except that it is not Covered Property.

**q. Risk Improvement**

If Covered Property suffers direct physical loss or damage due to an “equipment breakdown”, we will pay for the insured to improve the “power quality” of the electrical system or equipment at the loss location where the “equipment breakdown” occurred. “Power quality” means the conditions that allow electrical systems or equipment to operate as intended by limiting voltage fluctuations and other power influences that would adversely affect the operational performance and/or reduce the reliability, or the life-span of the electrical system.

We will pay the reasonable extra cost to improve “power quality” for the following electrical systems and/or equipment improvements:

- a. Installation of surge protection devices (SPD's) which are installed at the loss location's line disconnect, load disconnect, or on specific pieces of equipment and that are certified by Underwriter Laboratories (UL) or has an equivalent certification.

However SPD's do not include any SPD's which are cord-connected surge strips, direct plug-in SPD's or receptacle SPD's;

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- b. An upgrade and/or replacement of; electrical panels, switchgear and/or circuit breakers; or
- c. Electrical wire and wiring improvements which include installation of; flexible conduit, junction boxes and/or ground wiring.

We will not pay more than **10%**, to a maximum limit of **\$10,000**, of the loss amount paid. An invoice for implementation of this Additional Coverage must be sent to us within **180** days after the payment of the loss is received. Any amount we pay under this Risk Improvement Additional Coverage is subject to, is a part of, and is not in addition to the applicable Limit of Insurance for Covered Property. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than **10%**, to a maximum limit of **\$10,000**, of the loss amount paid as part of and not in addition to the applicable Limit of Insurance for Covered Property.

**r. Off-Premises Coverage**

We will pay for loss or damage to Covered Property resulting from a covered "Equipment Breakdown" while temporarily at a premises or location that is not a described premises.

The most we will pay for loss or damage under this coverage is **\$25,000**. This will be a part of and not an addition to the limit per loss. Furthermore, this Additional Coverage applies on a per policy basis regardless of the number of buildings, premises, or locations we insure on the Policy. Therefore, in no event, will we pay more in any one covered loss than a total of **\$25,000** as part of and not in addition to the applicable Limit of Insurance for Covered Property.

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following are added to **F. Additional Conditions**:

**3. Suspension**

Whenever Covered Property is found to be in, or exposed to, a dangerous condition, any of our representatives may immediately suspend the insurance against loss to that Covered Property for the perils covered by this endorsement. Coverage can be suspended and possibly reinstated by delivering or mailing a written notice of suspension / coverage reinstatement to:

- (a) Your last known address; or
- (b) The address where the property is located.

If we suspend your insurance, you will get a pro rata refund of premium. But the suspension will be effective even if we have not yet made or offered a refund.

**4. Jurisdictional Inspections**

If any Covered Property 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.

**5. Environmental, Safety and Energy Efficiency Improvements**

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

However, we will not pay more than **150%** of what the cost would have been to repair or replace with like kind and quality. This Condition does not apply to any property to which Actual Cash Value applies.

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- 6. Green Environmental and Efficiency Improvements** If Covered Property requires repair or replacement due to an "Equipment Breakdown", we will pay;
- a. The lesser of the reasonable and necessary additional cost incurred by the Insured to repair or replace physically damaged Covered Property with equipment of like kind and quality which qualifies as "Green". "Like kind and quality" includes similar size and capacity.
  - b. The additional reasonable and necessary fees incurred by the Insured for an accredited professional certified by a "Green Authority" to participate in the repair or replacement of physically damaged Covered Property as "Green".
  - c. The additional reasonable and necessary cost incurred by the Insured for certification or recertification of the repaired or replaced Covered Property as "Green".
  - d. The additional reasonable and necessary cost incurred by the Insured for "Green" in the removal, disposal or recycling of damaged Covered Property.
  - e. The business interruption (if covered within the Policy to which the Equipment Breakdown Enhancement Endorsement – Green Environmental and Efficiency Improvements is attached) loss during the additional time required for repair or replacement of Covered Property, consistent with "Green", in the coverage above.

We will not pay more than **150%**, to a maximum limit of **\$250,000**, of what the cost would have been to repair or replace with equipment of like kind and quality inclusive of fees, costs and any business interruption loss incurred as stated above.

**Green Environmental and Efficiency Improvements** does not cover any of the following:

- a. Covered Property does not include stock, raw materials, finished goods, "production machinery", merchandise, electronic data processing equipment not used in the functional support of the real property, process water, molds and dies, property in the open, property of others for which the Insured is legally liable, or personal property of others.
- b. Any loss adjusted on any valuation basis other than a repair or replacement basis as per the Valuation section of this policy.
- c. Any loss covered under any other section of this policy.
- d. Any cost incurred due to any law or ordinance with which the Insured was legally obligated to comply prior to the time of the "Equipment Breakdown".

These **Additional Conditions** will be part of, and not an addition to, the limits of liability per loss or any other sub-limits of the Policy.

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following is added to **H. Definitions**:

**4. "Equipment Breakdown".**

"Equipment Breakdown" as used herein means:

**a. Direct Physical loss or damage both originating within:**

**(1) Boilers, fired or unfired pressure vessels, vacuum vessels, and pressure piping, all normally subject to vacuum or internal pressure other than static pressure of contents, excluding:**

- a. Waste disposal piping;
- b. Any piping forming part of a fire protective system;

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- c. Furnaces; and
  - d. Any water piping other than:
    - (1) Boiler feed water piping between the feed pump and the boiler; piping carrying steam from one building to another;
    - (2) Boiler condensate return piping; or
    - (3) Water piping forming part of a refrigerating or air conditioning system used for cooling, humidifying or space heating purposes.
- (2) All mechanical, electrical, electronic, fiber optic equipment or “electronic equipment”; and
- b. Caused by, resulting from, or consisting of:
- (1) Mechanical breakdown;
  - (2) Electrical or electronic breakdown and “electronic equipment deficiency”; or
  - (3) Rupture, bursting, bulging, implosion, or steam explosion.
  - (4) If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses of such drying out.

However, “Equipment Breakdown” will not mean:

Physical loss or damage caused by or resulting from any of the following; however if loss or damage not otherwise excluded results, then we will pay for such resulting damage:

- (1) Wear and Tear;
  - (2) Rust or other corrosion, decay, deterioration, hidden or latent defect, mold or any other 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) Any accident, loss, damage, cost, claim, or expense, whether preventative, remedial, or otherwise, directly or indirectly arising out of or relating to the recognition, interpretation, calculation, comparison, differentiation, sequencing, or processing of data by any computer system including any hardware, programs or software;
  - (7) The following causes of loss to personal property:
    - (a) Dampness or dryness of atmosphere;
    - (b) Marring or scratching.
  - (8) Loss, damage, cost or expense directly caused by, contributed to by, resulting from or arising out of the following causes of loss:
 

Fire, lightning, combustion explosion, windstorm or hail, weight of snow, ice or sleet, freeze, falling objects, smoke, aircraft or vehicles, riot or civil commotion, vandalism, sinkhole collapse, volcanic action, leakage from fire extinguishing equipment, water, water damage, earth movement or flood.
5. “Perishable goods” as used herein means personal property maintained under controlled conditions for its preservation and susceptible to loss or damage if the controlled conditions change.
6. “Green” as used herein means products, materials, methods and processes certified by a “Green Authority” that conserve natural resources, reduce energy or water consumption, avoid toxic or other polluting emissions or otherwise minimize environmental impact.
7. “Green Authority” as used herein means an authority on “Green” buildings, products, materials, methods or processes certified and accepted by Leadership in Energy and Environmental Design (LEED®), “Green” Building Initiative Green Globes®, Energy Star Rating System or any other recognized “Green” rating system.

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8. "Production machinery" as used herein means any machine which processes, forms, shapes, or transports raw materials, materials in process, waste material or finished products.
9. "Electronic equipment" means devices which operate using many small electrical parts such as, but not limited to, microchips, transistors or circuits.
10. "Electronic equipment deficiency" means the quality or condition inside of "electronic equipment" which renders this equipment unexpectedly inoperable and which is operable again once a piece of "electronic equipment" has been replaced.

However, "electronic equipment deficiency" will not include replacement of "electronic equipment" for any condition that could have been resolved without replacement of the "electronic equipment" including but not limited to "computer equipment" maintenance or the reinstallation or incompatibility of software.

11. "Cloud computing" means on-demand network access to a shared pool of computing resources via networks, servers, storage, applications and services provided by an organization with whom you have a contract with using the following service models: Software as a Service (SaaS), Platform as a Service (PaaS) and Infrastructure as a Service (IaaS) on the following deployment models: public cloud, community cloud, hybrid cloud and private cloud.

## AMENDMENTS TO THE CAUSES OF LOSS – BASIC FORM

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following is added to **A. Covered Causes of Loss**:

12. "Equipment Breakdown"

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following replaces **g. Water** under **B. Exclusions**:

### g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal waves, overflow of any body of water, or spray from any of these, all whether 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 or 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 (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. But if any of the above, in paragraphs (1) through (5) above results in fire, explosion, sprinkler leakage or "Equipment Breakdown", we will pay for the loss or damage caused by that fire, explosion, sprinkler leakage or "Equipment Breakdown."

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following **Exclusions** are deleted:

- B.2.a., B.2.d., B.2.e.**

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## AMENDMENTS TO THE CAUSES OF LOSS – BROAD FORM

The following is added to **A. Covered Causes of Loss**:

### 15. "Equipment Breakdown"

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following replaces **g. Water** under **B. Exclusions**:

#### **g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal waves, overflow of any body of water, or spray from any of these, all whether 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 or 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 (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. But if any of the above, in paragraphs (1) through (5) above results in fire, explosion, sprinkler leakage or "Equipment Breakdown", we will pay for the loss or damage caused by that fire, explosion, sprinkler leakage or "Equipment Breakdown."

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following **Exclusions** are deleted:

**B.2.a., B.2.b., B.2.c.**

## AMENDMENTS TO THE CAUSES OF LOSS - SPECIAL FORM

The following is included under **A. Covered Causes of Loss**:

"Equipment Breakdown" is included.

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following replaces **g. Water** under **B. Exclusions**:

#### **g. Water**

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal waves, overflow of any body of water, or spray from any of these, all whether 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 or 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 (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

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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. But if any of the above, in paragraphs (1) through (5) above results in fire, explosion, sprinkler leakage or "Equipment Breakdown", we will pay for the loss or damage caused by that fire, explosion, sprinkler leakage or "Equipment Breakdown."

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following **Exclusions** are deleted:

**B.2.a., B.2.d.(6), B.2.e.**

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, **C. Limitations** is amended as follows:

All **Limitations** apply to the coverage provided by the Equipment Breakdown Enhancement Endorsement except **C.1.a.** and **C.1.b.**

For purposes of the coverage provided by this Equipment Breakdown Enhancement Endorsement, the following amends **G. Definitions**:

The following is added to the "Specified Causes of Loss" definition:

**2.** "Specified Causes of Loss" includes "Equipment Breakdown".

All other terms and conditions remain unchanged.

Policy Number  
6119M36270

**SCHEDULE OF MORTGAGE HOLDER(S)**

**INSURANCE COMPANY OF GREATER NEW YORK**

Named Insured STRATHMORE TOWER CONDOMINIUM,

Effective Date: 07-01-22  
12:01 A.M., Standard Time

Agent Name SCHOENFELD INSURANCE AGENCY

Agent No. 0020028

| Loc.<br>No. | Bldg.<br>No. | Mortgage Holder Name and Mailing Address                                      |
|-------------|--------------|---|
| 001/001     |              | WESTERN ALLIANCE BANK, ISAOA<br>1110 E BASELINE RD<br>MESA, AZ USA 85204-6608 |

## GNY INSURANCE GROUP

### Extended Replacement Cost Endorsement

This endorsement changes the:  
Building and Personal Property Coverage Form  
Condominium Association Coverage Form

The following is added as a Coverage Extension:

#### Extended Replacement Cost

1. If the Limit of Insurance shown in the Declarations for Building is inadequate to pay the full amount of a covered Building loss, under this Coverage Extension:
  - (a) Subject to (b) immediately below, we will pay that part of the otherwise covered Building loss that exceeds the applicable Building Limit.
  - (b) The most we will pay under this Coverage Extension is 25% of the applicable Building Limit shown in the Declarations.
2. This Coverage Extension does not:
  - (a) Apply to, or
  - (b) Change or increase our liability for:  
any limit, sublimit, additional coverage, coverage extension, or endorsement, other than:
    - (1) The Building Limit, or
    - (2) Ordinance or Law Coverage A (if applicable.)
3. Ordinance or Law Coverage A. (if applicable) is included within, not in addition to, the 25% of the building limit provided by this Coverage Extension.
4. Additional Conditions, 1. Coinsurance, of the Building and Personal Property and Condominium Association Coverage Form is waived for Building Coverage.

## 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 such premises.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of a building, your premises means:

- (a) The portion of the building which you rent, lease or occupy;
- (b) The area within 100 feet of the building or within 100 feet of the premises described in the Declarations, whichever distance is greater (with respect to loss of or damage to personal property in the open or personal property in a vehicle); and
- (c) Any area within the building or at the described premises, if that area services, or is used to gain access to, the portion of the building which you rent, lease or occupy.

#### 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.
- d. This Additional Limitation does not apply when loss or damage to electronic data involves only electronic data which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.

**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) 60 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) 60 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. However, we will not provide coverage under this Additional Coverage when the Additional Limitation – Interruption Of Computer Operations does not apply based on Paragraph **A.4.d.** therein.
- (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 (unless a higher limit is shown in the Declarations) 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 Of 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, unless a higher limit is shown in the Declarations.
- 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.

### 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
    - (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
  - (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 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 x 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:   | 1/4        |
|       | The most we will pay for loss in each period of 30 consecutive days is: | \$ 30,000  |
|       | (\$120,000 x 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:   | \$ 30,000  |
|       |   | \$ 90,000  |
|       | We will pay:  |            |
|       | Days 1–30:  | \$ 30,000  |
|       | Days 31–60:   | \$ 20,000  |
|       | Days 61–90:   | \$ 30,000  |
|       |   | \$ 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):                  | $\$100,000 \div \$200,000 = .50$ |
|       | Step (2):                  | $.50 \times \$80,000 = \$40,000$ |

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 60 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 or compliance with 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.



**GREATER NEW YORK INSURANCE GROUP**  
**PROTECTO – GUARD**  
**ENHANCED PROPERTY COVERAGE ENDORSEMENT FOR**  
**HABITATIONAL PROPERTIES**

This endorsement changes the following:

- BUILDING AND PERSONAL PROPERTY COVERAGE FORM**
- CONDOMINIUM ASSOCIATION COVERAGE FORM**
- CAUSES OF LOSS - SPECIAL FORM**
- BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM**
- BUSINESS INCOME (WITHOUT EXTRA EXPENSE) COVERAGE FORM**

| <b>TABLE OF COVERAGES</b>   |   |               |
|---|---|---------------|
| <b>PROPERTY AND BUSINESS INCOME COVERAGES</b>                                 | <b>LIMIT OF INSURANCE<br/>(INCLUDES LIMITS PROVIDED BY COVERAGE<br/>FORMS LISTED ABOVE)</b> | <b>PAGE #</b> |
| 1. Accounts Receivable  | \$1,000,000 ANN AGG   | 16            |
| 2. Business Income - Actual Loss Sustained (ALS)*                             | 12 months STD   | 49            |
| 3. Business Income - Actual Loss Sustained (ALS)*                             | 24 month Option   | 49            |
| 4. Business Income - Actual Loss Sustained (ALS)*                             | 36 month Option   | 49            |
| 5. Business Income - Alterations of New Buildings*                            | ALS – 12 months   | 50            |
| 6. Business Income - Dependent Properties*                                    | \$25,000  | 48            |
| 7. Business Income - Extended Business Income*                                | 120 days  | 47            |
| 8. Computer Coverage  | \$500,000/\$25,000/\$25,000   | 19            |
| 9. "Computer Fraud" Coverage  | \$25,000 ANN AGG  | 14            |
| 10. Debris Removal Additional Limit   | \$250,000   | 4             |
| 11. Earthquake and Volcanic Eruption Limited Additional Coverage              | \$1,000,000 Blanket ANN AGG**   | 26            |
| 12. Electronic Data   | \$25,000  | 5             |
| 13. Elevator Collision for Personal Property of Others                        | \$100,000   | 18            |
| 14. Employee Dishonesty   | \$100,000   | 10            |
| 15. Fine Arts   | \$50,000 ANN AGG  | 17            |
| 16. Fire Department Service Charge  | \$10,000  | 4             |
| 17. Volunteer Fire Department Service Charge                                  | \$1,000   | 4             |
| 18. Fire Protection Equipment Recharge  | \$10,000  | 5             |
| 19. Flood and/or Mudslide (in only Zones C and X) Limited Additional Coverage | \$1,000,000 Blanket ANN AGG**   | 30            |
| 20. Forgery or Alteration   | \$100,000 ANN AGG   | 13            |
| 21. Interior and Underground Water Damage – Limited Additional Coverage**     | Included in Building Limit of Insurance   | 44            |
| 22. Lost or Stolen Key Coverage   | \$10,000/\$10,000 ANN AGG   | 5             |
| 23. Lost Lease Coverage – Lessors Interest                                    | \$250,000   | 6             |
| 24. Money and Securities  | \$5,000 Out/\$5,000 In  | 9             |
| 25. Newly Acquired Or Constructed Property – Buildings                        | \$500,000   | 6             |

| TABLE OF COVERAGES   |   |  |           |
|--|---|--|-----------|
| PROPERTY AND BUSINESS INCOME COVERAGES   |   | LIMIT OF INSURANCE<br>(INCLUDES LIMITS PROVIDED BY COVERAGE<br>FORMS LISTED ABOVE) | PAGE #    |
| 26. Newly Acquired Or Constructed Property – Your Business Personal Property             |   | 25% of Business Personal Property Limit of Insurance up to \$500,000               | 6         |
| 27. Off Premises Services Interruption Limited Additional Coverage                       |   | \$500,000 ANN AGG  | 40        |
| 28. Ordinance or Law Limited Additional Coverage   | Undamaged Portion                           | Included in Building Limit   | 36        |
|  | Demolition & Increased Cost of Construction | \$2,000,000 Combined Blanket Limit – Coverages B and C                             | 36        |
|  | Increased Period of Restoration*            | Business Income - Actual Loss Sustained – 12 months*                               | 47        |
| 29. Outdoor Antennas & Satellite Dishes  |   | \$10,000 ANN AGG   | 9         |
| 30. Outdoor Signs  | Attached to Buildings                       | \$1,000  | 24        |
|  | Not Attached to Buildings                   | \$10,000   | 8         |
| 31. Outdoor Fences, Trees, Shrubs and Plants   |   | \$100,000;<br>\$2,500 per Tree, Shrub or Plant                                     | 7         |
| 32. Personal Effects and Property of Others  |   | \$2,500 Per Person<br>\$10,000 Per Occurrence                                      | 7         |
| 33. Personal Property At Unspecified Locations   |   | \$100,000  | 18        |
| 34. Pollutant Cleanup and Removal  |   | \$100,000 ANN AGG  | 5         |
| 35. Preservation of Property   |   | 60 days  | 4         |
| 36. Property Distance Extension  |   | 1,000 feet   | 5, 26, 47 |
| 37. Property In Transit  |   | \$250,000  | 44        |
| 38. Property Off-Premises  |   | \$10,000   | 7         |
| 39. Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage |   | Included in Building Limit of Insurance  | 42        |
| 40. Storage/Maintenance Buildings/Sheds, etc.  |   | Included in Building Limit of Insurance  | 3         |
| 41. Tenant's Building Glass  |   | Within Personal Property Limit   | 3         |
| 42. Tenant Move Back   |   | \$250,000  | 6         |
| 43. Valuable Papers and Records Coverage   |   | \$1,000,000 ANN AGG  | 7         |

\* Coverage applies only if a Business Income Coverage Form is included in your policy.

\*\*The Limit of Insurance shown for the listed Limited Additional Coverages includes the sum of **all** direct physical loss or damage to Covered Property and any loss of Business Income (applies only if a Business Income Coverage Form is included in your policy) occurring during a 12-month period. This Limit of Insurance for the Limited Additional Coverages is subject to the Building or Business Personal Property Limit of Insurance shown on the Declarations for any single described premises.

When an ANNUAL AGGREGATE limit is specified, the most we will pay is the limit specified in the Table of Coverages arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy. The ANNUAL AGGREGATE limit applies no matter how many losses occur or how many buildings, premises, or locations are insured.

*Unless otherwise specified in individual coverage extension, we will not pay for loss under any coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT if coverage for the same loss is also provided by other coverages extended by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. In such case, if loss is covered under more than one coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, we will pay only under the terms of the coverage that provides the **highest** Limit of Insurance. We will **not** pay for the combined Limits of Insurance of all the coverage(s). In no event will we ever pay more than the Limit of Insurance shown in the Table of Coverages above applicable to the specific coverage, unless indicated differently in the coverage's provisions.*

## **Building and Personal Property Coverage Form Condominium Association Coverage Form**

The following modifies insurance provided under the Building and Personal Property Coverage Form and The Condominium Association Coverage Form:

### **AMENDMENTS TO A.1.a. COVERAGE - BUILDING**

#### **STORAGE/MAINTENANCE BUILDINGS/SHEDS, GATEHOUSES, AND GAZEBOS**

- a. The following are added to **A. Coverage, 1. Covered Property, a. Building** of the Building and Personal Property Coverage Form:
  - (6) Storage/maintenance buildings/ sheds, gatehouses, and gazebos;
- b. The following are added to **A. Coverage, 1. Covered Property, a. Building** of the Condominium Association Coverage Form:
  - (7) Storage/maintenance buildings/ sheds, gatehouses, and gazebos;

### **AMENDMENTS TO A.1.b. YOUR BUSINESS PERSONAL PROPERTY**

#### **TENANT'S BUILDING GLASS**

The following is added to **A. Coverage, 1. Covered Property, b. Your Business Personal Property**:

1. As paragraph **A.1.b.(8)** Of the Building and Personal Property Coverage Form; and
2. As paragraph **A.1.b (4)** of the Condominium Association Coverage Form:  
Building Glass that is in the care, custody or control of the Insured at a described premises.

### **AMENDMENTS TO PROPERTY NOT COVERED**

#### **DELETIONS FROM PROPERTY NOT COVERED**

Paragraph **A.2.n.** is deleted and replaced with the following:

- n. Electronic data, except as provided in the Definition of "Software" and "Electronic Data" in the Computer Coverage Extension included in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. The Electronic Data coverage provided in the Additional Coverages - Electronic Data in the Building and Personal Property Coverage Form is deleted.

"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. "Electronic Data" does not include Data in the Definition of "Software" in the Computer Coverage Extension as provided in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

The term computer programs, referred to in the foregoing description of "Electronic Data" and "Software" 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.

## AMENDMENTS TO A.4. ADDITIONAL COVERAGES

### DEBRIS REMOVAL ADDITIONAL LIMIT

The ADDITIONAL COVERAGE, **Debris Removal** is amended by replacing the following paragraphs [A.4.a. \(4\)](#)

(4). We will pay up to the additional limit of insurance shown in the table of coverages 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 the limit of insurance shown in the Table of Coverage.

The ADDITIONAL COVERAGE, **Debris Removal** is amended by adding the following paragraphs [A.4.a.\(6\)](#) and [A.4.a.\(7\)](#):

- (6) We will not pay for expenses you incur to remove debris from your described premises under this Debris Removal Additional Coverage if such debris removal expense is also covered by another Additional Coverage or Coverage Extension (such as the Outdoor Fences, Trees, Shrubs and Plants Coverage Extension) provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT for the same loss. If loss for the expense you incur to remove fallen trees is covered under this Debris Removal Additional Coverage and the Outdoor Fences, Trees, Shrubs and Plants Coverage Extension, then this Debris Removal Additional Coverage does not apply and only the Outdoor Fences, Trees, Shrubs and Plants Coverage Extension applies to such expenses.
- (7) This Debris Removal Additional Coverage does not apply to any loss covered under any Limited Additional Coverage (such as Earthquake and Volcanic Eruption or the Interior and Underground Water – Limited Additional Coverage, Public Water Supply – Limited Additional Coverage, or Sewer and Drain Back-up and Overflow and Sump Overflow – Limited Additional Coverage).

### PRESERVATION OF PROPERTY

Paragraph [A.4.b.\(2\) Preservation of Property](#) is replaced with the following:

Only if the loss or damage occurs within the numbers of days shown in the Table of Coverages after the property is first moved.

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

### FIRE DEPARTMENT SERVICE CHARGE

Paragraph [A.4.c. Fire Department Service Charge](#) is replaced with the following:

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, 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.

### VOLUNTEER FIRE DEPARTMENT SERVICE CHARGE

The following is added to Paragraph [A.4.c. Fire Department Service Charge](#):

When the volunteer fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, 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

#### **POLLUTANT CLEANUP AND REMOVAL**

The following replaces the last paragraph of **A.4.d. Pollutant Cleanup and Removal**:

The most we will pay under this Pollutant Cleanup and Removal Additional Coverage for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate **12**-month period of this policy is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This Annual Aggregate limit applies no matter how many losses occur or how many buildings, premises or locations are insured.

#### **INCREASED COST OF CONSTRUCTION**

Section **A.4.e. Increased Cost of Construction** is deleted. Coverage for the Increased Cost of Construction is included under Coverage C of the Ordinance or Law Coverage Extension provided elsewhere in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

#### **ELECTRONIC DATA**

Section **A.4.f. Electronic Data** is deleted. Coverage for "Electronic Data" is included in the COMPUTER COVERAGE EXTENSION in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

#### **ADDITIONS TO A.4. ADDITIONAL COVERAGES**

The following are added to **A.4. Additional Coverages**. Limits of Insurance indicated in the provisions in this section provide additional Limits to those shown in the Declarations to Covered Building or Business Personal Property, as applicable, unless indicated otherwise within the coverage provision.

##### **FIRE PROTECTION EQUIPMENT RECHARGE**

We will pay expenses you incur to recharge automatic fire protection equipment when such equipment is discharged to fight a fire or as the result of a Covered Cause of Loss. The most we will pay under this Additional Coverage is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Payments under this Fire Protection Equipment Recharge Additional Coverage will not increase the Limit of Insurance applicable to Buildings shown in the Declarations.

##### **PROPERTY DISTANCE EXTENSION**

In each instance where it appears in the form, the property distance limitation of 100 feet is changed to **1,000** feet.

Payments under this Property Distance Extension Additional Coverage will not increase the Limit of Insurance applicable to Buildings shown in the Declarations.

##### **LOST OR STOLEN KEY COVERAGE**

We will pay for the expense to re-key locks at a covered:

1. Building, and/or
2. Structure,

when the keys to those locks have been:

- a. Stolen, or
- b. Lost,

at a premises described in the Declarations during the policy period.

No matter how many thefts of keys and/or losses of keys that occur during the policy period, the most we will pay for re-keying expenses at any one building or structure is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

However, an Annual Aggregate Limit applies. This means that the most we will pay under this Lost or Stolen Key Additional Coverage for the sum of all losses occurring during each separate **12**-month policy period is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY

COVERAGE ENDORSEMENT regardless of the number of:

- (i) Buildings, structures, premises or locations covered by this policy, or
- (ii) Thefts of keys and/or losses of keys that occur during the policy period.

Payments under this Lost or Stolen Key Additional Coverage will not increase the Limit of Insurance applicable to Buildings shown in the Declarations.

#### **LOST LEASE COVERAGE – LESSOR'S INTEREST**

We will pay for loss you sustain because of the cancellation of a lease contract by a tenant at the building or structure described in the Schedule when the reason for the cancellation is direct physical loss or damage to the leased premises caused by or resulting from a covered cause of loss during the policy period.

We will not pay for loss caused by (1) your canceling of the lease; (2) the suspension, lapse, or cancellation of any license, or any other consequential loss; or (3) refunds or rebates of (a) prepaid rent; (b) security or other deposits made by tenants; or (c) insurance, taxes, or other payments made on your behalf by tenants.

The most we will pay under this Lost Lease Coverage is the lesser of the difference between the rents actually paid at the leased premises by the cancelling tenant immediately before the loss or damage and the anticipated rental value of the leased premises had the lease not been cancelled for:

- 1. 12 months immediately following the period of restoration;
- 2. The period beginning with the end of the period of restoration and ending with the normal expiration date of the canceled lease; or
- 3. The Limit of Insurance shown in the above Schedule for Lost Lease Coverage.

The number of tenants who cancel leases will not increase either the Limit of Insurance of the Policy or the Limit of Insurance of this Additional Coverage. The expiration date of this policy will not result in a discontinuance of coverage provided by this Additional Coverage.

#### **TENANT MOVE BACK COSTS AND EXPENSES**

We will pay for any reasonable tenant move back costs and expenses incurred by the Named Insured provided that:

- 1. the vacancy occurred while such portion of the building could not be occupied due to direct physical loss of or damage to insured property; and
- 2. such tenant moves back within **60** days after the portion of such building has been repaired or rebuilt.

The most we will pay under this additional Tenant Move Back Costs and Expenses Coverage is the limit shown in the Table of Coverages. Such limit is in excess of all amounts under any other valid and collectible insurance of the Named Insured's tenants.

### **AMENDMENTS TO A.5. COVERAGE EXTENSIONS**

#### **NEWLY ACQUIRED OR CONSTRUCTED PROPERTY - Buildings**

The following is added as the last paragraph of Newly Acquired or Constructed Property - Buildings **A.5.a.(1)**:

In addition to the limits otherwise provided under this policy for Newly Acquired Property or Constructed Property – Buildings, under **A.5.a.(1)**, under the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT we will pay up to the additional limit shown in the table of coverages at each building for loss or damage under this Extension.

#### **NEWLY ACQUIRED OR CONSTRUCTED PROPERTY – Your Business Personal Property**

The following is added as the last paragraph of Newly Acquired Personal Property or Constructed Property – Your Business Personal Property, **A.5.a.(2)(a)**:

In addition to the limits otherwise provided under this policy for Newly Acquired Property or Constructed Property – Your Business Personal Property, under **A.5.a.(2)(a)**, under the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, we will pay up to the additional limit shown in the Table of

Coverages at each building Newly Acquired Business Personal Property.

### **PERSONAL EFFECTS AND PROPERTY OF OTHERS**

The following replaces the last paragraph of **A.5.b.** Personal Effects and Property Of Others:

The most we will pay for loss or damage under this Coverage Extension is shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, for the Personal Effects and Property Of Others of one person or entity. The most we will pay for loss or damage arising out of one occurrence is shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

### **VALUABLE PAPERS AND RECORDS (OTHER THAN ELECTRONIC DATA)**

The following amends **A.5.c.** Valuable Papers And Records (Other Than Electronic Data)

1. The following is added to paragraph **A.5.c.(1)**:

The costs to replace or restore the lost information must be sustained by you because of loss or damage to Valuable Papers And Records (Other Than Electronic Data) caused by a Covered Cause of Loss at a premises described in the Declarations.

2. Paragraphs **A.5.c.(2)** and **A.5.c.(3)** are deleted.

3. The following replaces paragraph **A.5.c.(4)**:

**(4)** Under this Valuable Papers And Records (Other Than Electronic Data) Coverage Extension, the most we will pay for the total of all costs to replace or restore the lost information in each separate **12**-month policy period is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This annual aggregate limit applies no matter how many losses occur during the policy period, or how many buildings, locations or premises are insured by this policy. However, the Annual Aggregate Limit is subject to the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Therefore, in no event will we ever pay more in any single loss than the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

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.

### **PROPERTY OFF-PREMISES**

The following replaces Property Off -Premises paragraph **A.5.d.(3)**:

The most we will pay for loss or damage under this Extension is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

### **OUTDOOR PROPERTY**

The following replaces Extension **A.5.e.** Outdoor Property:

#### **e. OUTDOOR PROPERTY**

You may extend the insurance provided by this Coverage Form to apply to your Outdoor Property (as described in the specific sections which follow):

##### **(1) OUTDOOR FENCES, TREES, SHRUBS AND PLANTS**

(a) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage to your outdoor: fences; 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 Covered Causes of Loss:

- i. Fire;
- ii. Lightning;
- iii. Explosion;



- iv. Vehicles;
- v. Riot or civil commotion;
- vi. Aircraft;
- vii. Vandalism;
- viii. Theft.

The most we will pay for loss or damage under this OUTDOOR FENCES, TREES, SHRUBS AND PLANTS Coverage Extension for the outdoor property described above is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. These limits apply to any one occurrence, regardless of the types or number of fences, trees, shrubs and plants lost or damaged in that occurrence.

**(b) Removal of Fallen Trees Coverage**

Solely with respect to the debris removal coverage provided under paragraph **e.(1)(a)** above, we will pay for expenses you incur to remove debris of a tree which has fallen onto your described premises from a neighboring property, but only if:

- (i) Direct physical damage to Covered Property is sustained; and
- (ii) The fallen tree is not covered under paragraph **(1)(a)** of this OUTDOOR FENCES, TREES, SHRUBS AND PLANTS Coverage Extension.

The most we will pay under this Removal of Fallen Trees coverage for expenses for the removal of one tree is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. The most we will pay for the removal of all fallen trees at all described premises shown in the Declarations arising from one occurrence is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

Payments we make under this Removal of Fallen Trees coverage is included in and does not increase the Limit of Insurance applicable to this OUTDOOR FENCES, TREES, SHRUBS AND PLANTS Coverage Extension shown in paragraph **(1)(a)** above.

A Minimum Deductible of **\$3,000** applies to Each Occurrence for loss payable under this OUTDOOR FENCES, TREES, SHRUBS AND PLANTS Coverage Extension. This Minimum Deductible applies unless a higher deductible is shown in the Declarations applicable to Covered Building(s). We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance.

Any payments we make under this OUTDOOR FENCES, TREES, SHRUBS AND PLANTS Coverage Extension are included in and will not increase the Limit of Insurance applicable to Buildings shown in the Declarations.

**(2) OUTDOOR SIGNS NOT ATTACHED TO BUILDINGS**

(a) You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage to your outdoor signs at a premises described in the Declarations. We will pay for direct physical loss of or damage from a Covered Cause of Loss to such outdoor signs if the signs are not attached to a Covered Building and are:

- (i) Owned by you; or
- (ii) Owned by others but in your care, custody or control.

(b) **B.** Exclusions of the Causes Of Loss – Special Form do not apply to signs covered under this OUTDOOR SIGNS NOT ATTACHED TO BUILDINGS Coverage Extension, except the following **B.1.** Exclusions:

- (i) Paragraph **B.1.c.** Governmental Action;
- (ii) Paragraph **B.1.d.** Nuclear Hazard; and
- (iii) Paragraph **B.1.f.** War And Military Action.

(c) Under this Outdoor Signs Not Attached To Buildings Coverage Extension, we will not pay for loss or damage caused by or resulting from:

- (i) Wear and tear;



- (ii) Hidden or latent defect;
  - (iii) Rust;
  - (iv) Corrosion; or
  - (v) Mechanical breakdown.
- (d) The most we will pay for loss or damage in any one occurrence for Outdoor Signs Not Attached To Buildings is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

**(3) OUTDOOR ANTENNAS & SATELLITE DISHES**

You may extend the insurance provided by this Coverage Form to apply to direct physical loss or damage to your outdoor radio and television antennas (including satellite dishes) and their lead-in wiring, masts or towers. We will pay for direct physical loss or damage to such outdoor radio and television antennas caused by or resulting from a Covered Cause of Loss.

The most we will pay for the sum of all direct physical loss or damage under this Outdoor Antennas & Satellite Dishes Coverage Extension in each separate 12-month policy period is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This annual aggregate limit applies no matter how many buildings, premises or locations are covered by this policy.

**ADDITIONS TO A.5. COVERAGE EXTENSIONS**

Payment under the following added Coverage Extensions is limited to the Limit of Insurance shown on in the Table of Coverages shown on the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. The Limit shown in the Table of Coverages applicable to any of the added Coverage Extensions provided in the section is **not** additional insurance and will not increase the Limit of Insurance shown in the Declarations for Covered Property.

Any Limit of Insurance shown in this **ADDITIONS TO A.5. COVERAGE EXTENSIONS** section is **excess** over any specific insurance provided by another coverage form of this or any other policy applicable to the same property for the same loss.

The Additional Condition, Coinsurance, does not apply to these added Coverage Extensions.

The following are added to **A.5. COVERAGE EXTENSIONS**

**MONEY AND SECURITIES**

You may extend the insurance provided by this Coverage Form to apply to direct physical loss of or damage to your "money" and "securities", subject to the following provisions:

1. We will pay for direct physical loss of "money" and "securities" used in your business while:
  - a. At a bank or savings institution; within your living quarters or the living quarters of your partners or any employee having use and custody of the property;
  - b. At the described premises; or
  - c. In transit between any of these places, resulting directly from:
    - (1) Theft, meaning any act of stealing;
    - (2) Disappearance; or
    - (3) Destruction.
2. In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss:
  - a. Resulting from accounting or arithmetical errors or omissions;
  - b. Due to the giving or surrendering of property in any exchange or purchase; or
  - c. Of property contained in any "money"-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device.
3. The most we will pay for loss in any one occurrence is:
  - a. **\$5,000** for "money" and "securities" while:
    - (1) In or on the premises described in the Declarations; or
    - (2) Within a bank or savings institution; and

- b. **\$5,000** for "money" and "securities" while at any other location covered under this extension.
4. All loss:
- a. Caused by one or more persons; or
  - b. Involving a single act or series of related acts;
- is considered one occurrence.
5. You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
6. Only as respects this Money and Securities Coverage Extension, the following replaces **A.2.a.** Property Not Covered of the Building and Personal Property Coverage Form/Condominium Association Coverage Form:
- 2. Property Not Covered**
- Covered Property does not include:
- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt or notes. Lottery tickets held for sale are not securities. "Money" or "Securities" are also Property Not Covered, except as provided under the following added Coverage Extensions of the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT:
    - (1) "Money" and "Securities";
    - (2) Employee Dishonesty;
    - (3) Forgery and Alteration; and
    - (4) "Computer Fraud".
7. The property distance limitation does not apply to "money" and "securities" while at the places listed in paragraph **1.** of this Money And Securities Coverage Extension.
8. If a loss is covered both under this Money And Securities Coverage Extension and by a Commercial Crime Coverage Part attached to this policy, this coverage will be excess of that coverage, and only the deductible applicable to the Commercial Crime Coverage Part will apply. This provision supersedes any conflicting other insurance provisions.
9. We will not pay for loss under this Money and Securities Coverage Extension that is also covered under any of the following added Coverage Extension(s) providing coverage for the same loss:
- a. "Computer Fraud";
  - b. Employee Dishonesty; or
  - c. Forgery and Alteration;
- of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. When such loss is payable under more than one coverage, the highest limit provided by any single coverage listed above will apply to the loss; however, we will not pay more than this limit. We will not pay a combination of the limits. This exclusion applies to loss that is not covered under the above listed Coverage Extension(s) solely due to exhaustion of limits.
10. For coverage provided under this Money and Securities Coverage Extension, the following definitions are added to the Definitions section:
- "Money" means:
- a. Currency, coins and bank notes in current use and having a face value; and
  - b. Travelers checks, register checks and money orders held for sale to the public.
- "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
- (1) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - (2) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;
- but does not include "money."

**EMPLOYEE DISHONESTY**

You may extend the insurance provided by this Coverage Form to apply to loss of or damage to your

Covered Business Personal Property, "money" and "securities" resulting from dishonest acts committed by your employees (as defined in paragraph 10. below), subject to the following provisions:

1. We will pay for direct physical loss of or damage to your Covered Business Personal Property and "money" and "securities" resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you or your partner) with the manifest intent to:
  - a. Cause you to sustain loss or damage; and also
  - b. Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
    - (1) Any employee; or
    - (2) Any other person or organization.
2. We will not pay for loss or damage:
  - a. Resulting from any dishonest or criminal act that you or any of your partners commit whether acting alone or in collusion with other persons; or
  - b. Resulting from any dishonest act committed by any of your employees (except as provided in Paragraph 1.), "managers" or directors:
    - (1) Whether acting alone or in collusion with other persons; or
    - (2) While performing services for you or otherwise.
    - (3) The only proof of which as to its existence or amount is:
      - (a) An inventory computation; or
      - (b) A profit and loss computation.
3. The most we will pay for loss or damage in any one occurrence is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
4. All loss or damage:
  - a. Caused by one or more persons; or
  - b. Involving a single act or series of related acts;is considered one occurrence.
5. We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period. Regardless of the number of years this policy remains in force or the number of premiums paid, no Limit of Insurance cumulates from year to year or period to period.
6. This Employee Dishonesty Coverage Extension does not apply to any employee immediately upon discovery by:
  - a. You; or
  - b. Any of your partners, officers or directors not in collusion with the employee; of any dishonest act committed by that employee before or after being hired by you.
7. We will pay only for covered loss or damage discovered no later than one year from the end of the policy period.
8. If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Employee Dishonesty Coverage Extension, provided:
  - a. This Employee Dishonesty Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT became effective at the time of cancellation or termination of the prior insurance; and
  - b. The loss or damage would have been covered by this Employee Dishonesty Coverage Extension had it been in effect when the acts or events causing the loss or damage were committed or occurred.
9. The insurance under Paragraph 8. above is part of, not in addition to, the Limit of Insurance applying to this Employee Dishonesty Coverage Extension and is limited to the lesser of the amount recoverable under:
  - a. The Employee Dishonesty Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT as of its effective date; or
  - b. The prior insurance had it remained in effect.

10. With respect to the Employee Dishonesty coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, employee means:
- a. Any natural person:
    - (1) While in your service or for **30** days after termination of service;
    - (2) Who you compensate directly by salary, wages or commissions; and
    - (3) Who you have the right to direct and control while performing services for you;
  - b. Any natural person who is furnished temporarily to you:
    - (1) To substitute for a permanent employee as defined in Paragraph **a.** above, who is on leave; or
    - (2) To meet seasonal or short-term work load conditions;
  - c. Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in Paragraph **b.** above;
  - d. Any natural person who is a former employee, director, partner, member, "manager", representative or trustee retained as a consultant while performing services for you; or
  - e. Any natural person who is a guest student or intern pursuing studies or duties, excluding, however, any such person while having care and custody of property outside any building you occupy in conducting your business.
- But employee does not mean:
- (1) Any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character;
  - (2) Any "manager", director or trustee except while performing acts coming within the usual duties of an employee; or
  - (3) Your partners or officers.
11. Only as respects this Employee Dishonesty Coverage Extension, the following replaces **A.2.a.** Property Not Covered of the Building and Personal Property Coverage Form/Condominium Association Coverage Form:
- 2. Property Not Covered**
- Covered Property does not include:
- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt or notes. Lottery tickets held for sale are not securities. "Money" or securities are also Property Not Covered, except as provided under the following Coverage Extensions of the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT:
    - (1) "Money" and "Securities";
    - (2) Employee Dishonesty;
    - (3) Forgery and Alteration; and
    - (4) "Computer Fraud".
12. Exclusion **B.2.h.** of the Causes of Loss-Special Form does not apply to this Employee Dishonesty Coverage Extension.
13. If a loss is covered both under this Employee Dishonesty Coverage Extension and by a Commercial Crime Coverage Part attached this policy, the limits of this Employee Dishonesty Coverage Extension will be excess of that Commercial Crime Coverage Part, and only the deductible applicable to that Commercial Crime Coverage Part will apply. This provision supersedes any conflicting other insurance provisions.
14. We will not pay for loss under this Employee Dishonesty Coverage Extension that is also covered under any of the following added Coverage Extension(s) providing coverage for the same loss:
- a. Money and Securities;
  - b. Forgery and Alteration; or
  - c. "Computer Fraud";
- of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. When such loss is payable under more than one coverage, the highest limit provided by any single coverage listed above will apply to the loss; however, we will not pay more than this limit. We will not pay a combination

of the limits. This exclusion applies to loss that is not covered under the above listed Coverage Extension(s) solely due to exhaustion of limits.

15. For coverage provided under this Employee Dishonesty Coverage Extension, the following definitions are added to the Definitions section:

“Manager” means a person serving in a directorial capacity for a limited liability company.

“Money” means:

- a. Currency, coins and bank notes in current use and having a face value; and
- b. Travelers checks, register checks and money orders held for sale to the public.

“Securities” means negotiable and non-negotiable instruments or contracts representing either “money” or other property and includes:

- (1) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
- (2) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include “money.”

## **FORGERY OR ALTERATION**

You may extend the insurance provided by this Coverage Form to apply to direct monetary loss you sustain resulting from Forgery or Alteration, subject to the following provisions:

1. We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in “money” that you or your agent has issued, or that was issued by someone who impersonates you or your agent.
2. If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in “money,” on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
3. For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
4. The most we will pay for any loss, including legal expenses, under this Coverage Extension is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This Annual Aggregate limit applies no matter how many losses occur or how many buildings, locations or premises are covered by this policy.
5. Only as respects this Forgery and Alteration Coverage Extension, the following replaces [A.2.a](#). Property Not Covered of the Building and Personal Property Coverage Form/Condominium Association Coverage Form:

### **2. Property Not Covered**

Covered Property does not include:

- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt or notes. Lottery tickets held for sale are not securities. “Money” or securities are also Property Not Covered, except as provided under the following Coverage Extensions of the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT:
  - (1) “Money” and “Securities”;
  - (2) Employee Dishonesty;
  - (3) Forgery and Alteration; and
  - (4) “Computer Fraud”.
6. If a loss is covered both under this Forgery and Alteration Coverage Extension and by a Commercial Crime Coverage Part attached this policy, the limits of this Forgery and Alteration Coverage Extension will be excess of that Forgery and Alteration Coverage provided by the Commercial Crime Coverage Part and only the deductible applicable to the Forgery and Alteration Coverage provided by the Commercial Crime Coverage Part will apply. This provision supersedes any conflicting other insurance provisions.

7. We will not pay for loss under this Forgery and Alteration Coverage Extension that is also covered under any of the following added Coverage Extension(s) providing coverage for the same loss:
- Money and Securities;
  - Employee Dishonesty; or
  - "Computer Fraud";
- of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. When such loss is payable under more than one coverage, the highest limit provided by any single coverage listed above will apply to the loss; however, we will not pay more than this limit. We will not pay a combination of the limits. This exclusion applies to loss that is not covered under the above listed Coverage Extension(s) solely due to exhaustion of limits.

#### **"COMPUTER FRAUD" COVERAGE**

You may extend the insurance provided by this Coverage Form to apply to monetary loss you sustain, resulting directly from "Computer Fraud", subject to the following provisions:

Subject to the provisions of your Commercial Property Coverage Part and the following exceptions to those provisions, under this "Computer Fraud" Coverage Extension, we will pay for loss or damage to Covered Property and "Money" and "Securities" resulting directly from "Computer Fraud" that occurs during the policy period.

##### **1. LIMIT OF INSURANCE**

The most we will pay for the sum of all loss resulting from "Computer Fraud" that occurs during the 12-month policy period is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This is the "Computer Fraud" Annual Aggregate Limit. This limit applies no matter how many:

- Insureds are covered,
- "Occurrences" happen, or
- Locations, premises or buildings are covered by this policy.

##### **2. ADDITIONAL EXCLUSIONS, CONDITIONS AND DEFINITIONS:** In addition to the exclusions, conditions and definitions of your Commercial Property Coverage Part, this coverage is subject to the following:

- a. Additional Exclusions:** We will not pay for loss as specified below:

**(1) Inventory Shortages:** Loss, or that part of any loss, the proof of which as to its existence or amount is dependent upon:

- An inventory computation; or
- A profit and loss computation.

**(2) Indirect Loss:** Loss that is an indirect result of any act or "occurrence" covered by this insurance including, but not limited to, loss resulting from:

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

**(3) Legal Expenses:** Expenses related to any legal action.

**(4) Losses also covered under any of the following added Coverage Extension(s) providing coverage for the same loss:**

- Money and Securities;
- Employee Dishonesty; or
- Forgery and Alteration

of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. When such loss is payable under more than one coverage, the highest limit provided by any single coverage listed above will apply to the loss; however, we will not pay more than this limit. We



will not pay a combination of the limits. This exclusion applies to loss that is not covered under the above listed Coverage Extension(s) solely due to exhaustion of limits.

**b. Additional Conditions**

- (1) **Duties in the Event of Loss:** If you have reason to believe that any loss of, or loss from damage to Covered Property involves a violation of law, you must notify the police.
- (2) **Special Limit of Insurance for Specified Property:** We will only pay up to **\$5,000** for any one "occurrence" of loss of, and loss from damage to, "money," and/or "securities"; manuscripts, drawings, or records of any kind or the cost of reconstructing them or reproducing any information contained in them.
- (3) **Other Insurance:** If you have purchased Computer Fraud Coverage under a Commercial Crime Coverage Part that is attached to this policy, the "Computer Fraud" coverage provided under the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is specifically excess of that Limit of Insurance provided under the Commercial Crime Coverage Part. In the event of a loss covered by both, only the deductible applicable to the Commercial Crime Coverage Part will apply.

**c. Additional Definitions** The following definitions apply only to this "Computer Fraud" Coverage:

- (1) **"Banking Premises"** means the interior of that portion of any building occupied by a banking institution or similar safe depository.
- (2) **"Computer Fraud"** means "theft" of property following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the "covered premises" or "banking premises" to a person (other than a "messenger") outside those "covered premises" or to a place outside those "banking premises."
- (3) **"Messenger"** means you, any of your partners or any employee while having care and custody of the property outside the "covered premises."
- (4) **"Occurrence"** means an:
  - (a) Act or series of related acts involving one or more persons; or
  - (b) Act or event, or a series of related acts or events not involving any person.
- (5) **"Covered premises"** means the interior of that portion of any building described in the Declarations and occupied by you in the conduct of your business.
- (6) **"Theft"** means any act of stealing.
- (7) As used in this "Computer Fraud" Coverage Extension, **"Money"** means
  - (a) In current use and having a face value: Currency, coins, and bank notes.
  - (b) Held for sale to the public: Travelers checks, register checks, and money orders.
- (8) As used in this "Computer Fraud" Coverage Extension, **"Securities"** means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:
  - (1) Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
  - (2) Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you; but does not include "money."

**d. LIMITATION AND EXCLUSION NOT APPLICABLE**

- (1) **Exclusions**, Paragraph **B.2.i.** of the Causes of Loss – Special Form, does not apply to "Computer Fraud" Coverage; and
- (2) **Limitations** Paragraph **C.1.f.** of the Causes of Loss – Special Form does not apply to "Computer Fraud" Coverage.

**e. CHANGES TO PROPERTY NOT COVERED**

Only as respects this "Computer Fraud" Coverage Extension, the following replaces **A.2.a.** Property Not Covered of the Building and Personal Property Coverage Form/Condominium Association Coverage Form:

**2. Property Not Covered**

Covered Property does not include:

- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt or notes. Lottery tickets held for sale are not securities. "Money" or "securities" are also Property Not Covered, except as provided under the following Coverage Extensions of the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT:
  - (1) "Money" and "Securities";
  - (2) Employee Dishonesty;
  - (3) Forgery and Alteration; and
  - (4) "Computer Fraud".

**f. DISTANCE LIMITATION**

For "Computer Fraud" coverage, the **1,000** feet distance limitation does not apply to covered property transferred from inside a "covered premises" or a "banking premises."

**ACCOUNTS RECEIVABLE**

1. You may extend the insurance that applies to Your Business Personal Property to apply to accounts receivable as described in the provisions which directly follow. We will pay:
  - (a) All amounts due from your customers that you are unable to collect;
  - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
  - (c) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
  - (d) Other reasonable expenses that you incur to reestablish your records of accounts receivable; that result from direct physical loss or damage to your records of accounts receivable at a designated premises caused by or resulting from any Covered Cause of Loss.
2. The most we will pay under this Coverage Extension for the sum of all loss occurring during one twelve month policy period is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This is an annual aggregate limit and applies no matter how many losses occur or how many buildings, premises or locations are insured. However, the Annual Aggregate Limit is subject to the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Therefore, in no event will we ever pay more in any single loss than the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
3. **B.** Exclusions of the Causes of Loss – Special Form do not apply to this Accounts Receivable Coverage Extension except for the following:
  - B.1.c.** Governmental Action
  - B.1.d.** Nuclear Hazard
  - B.1.f.** War and Military Action
  - B.2.h.** Dishonesty
  - B.2.i.** False Pretense
 All Paragraph **B.3.** exclusions.
4. In addition, the following the exclusions apply:
  - (a) We will not pay for loss or damage caused by or resulting from electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
    - (i) Programming errors or faulty machine instructions;
    - (ii) Faulty installation or maintenance of data processing equipment or component parts;
 But we will pay for direct loss or damage caused by lightning.
  - (b) We will not pay for:
    - (i) Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money", "securities" or other property.  
This exclusion applies only to the extent of the wrongful giving, taking or withholding.



- (ii) Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.
  - (iii) Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.
5. Only as respects this Accounts Receivable Coverage Extension, paragraph **A.2.a.** Property Not Covered of the Building and Personal Property Coverage Form/Condominium Association Coverage Form is replaced with the following:
- 2. Property Not Covered**
- Covered Property does not include:
- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities. Accounts Receivable (as defined in this Coverage Extension) is also Property Not Covered, except as provided under the Accounts Receivable Coverage Extension contained in the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT;
6. If a loss is covered both under this Accounts Receivable Coverage Extension and by an Accounts Receivable Coverage Form attached this policy, the limits of this Accounts Receivable Coverage Extension will be excess of that Accounts Receivable Coverage Form, and only the deductible applicable to that Accounts Receivable Coverage Form will apply. This provision supersedes any conflicting other insurance provisions.

#### **FINE ARTS**

1. You may extend the insurance that applies to Your Business Personal Property to apply to "Fine Arts" as described in the provisions which directly follow. We will pay for direct physical loss or damage to your "Fine Arts" arising from a Covered Cause of Loss. This "Fine Arts" Coverage is subject to all the terms, Limitations, Exclusions and Conditions of the Building and Personal Property Form, the Condominium Association Coverage Form and the Causes of Loss – Special Form except as follows:
  - (a) **B. Exclusions** of the Causes of Loss – Special Form do not apply to this coverage, except:
    - o **B.1.b., B.1.c., B.1.d., B.1.f. and B.1.g.;**
    - o **B.2.b.; B.2.d.; B.2.h.; B.2.i.; B.2.j.; B.2.l.; and B.2.m.**
  - (b) Only as respects the coverage provided under this "Fine Arts" Coverage Extension, **C. Limitations**, Paragraph **3.b.** of the Causes of Loss – Special Form does not apply to "antique" jewelry.
  - (c) Only as respects the coverage provided under this "Fine Arts" Coverage Extension, **F.1.b.**, paragraph **(3)** of the Causes of Loss – Special Form is replaced with the following:
 

**(3)** Theft by forced entry into a securely locked body or compartment of a vehicle. There must be visible marks of the forced entry.
2. We will not pay for loss or damage under this "Fine Arts" Coverage Extension resulting from any of the following:
  - (a) We do not pay for loss or damage caused by breakage, marring, or scratching of art glass windows, glassware, statuary, marble objects, bric-a-brac, porcelains, or similar fragile articles unless loss is a result of a "specified peril."
  - (b) We do not pay for loss or damage caused by processing of or work upon the covered property including repairs or restoration.
  - (c) We do not pay for any loss or damage caused by diminution of value due to gradual deterioration, fading or other loss caused by exposure to light, heat or other atmospheric or environmental conditions.
3. Only as respects the coverage provided under this "Fine Arts" Coverage Extension, the following definitions are added:
  - (a) "Antique," means an object having value because its:
    - (i) Craftsmanship is in the style or fashion of former times; and
    - (ii) Age is 100 years old or older.
  - (b) "Fine Arts" means 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. The following are not "Fine Arts:" coins and stamps; jewelry (except "antique" jewelry); precious or semi-precious stones; gold, silver, platinum or other precious metals or alloys; automobiles, or any other self-propelled vehicles designed for highway use; furs; or money.

4. The most we will pay for all direct physical loss of or damage to "Fine Arts" under this "Fine Arts" Coverage Extension in one twelve month policy period is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This Annual Aggregate limit applies no matter how many losses occur or how many building, premises or locations we insure. However, the Annual Aggregate Limit is subject to the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Therefore, in no event will we ever pay more in any single loss than the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
5. If a loss is covered both under this "Fine Arts" Coverage Extension and by a Fine Arts Coverage Form attached to this policy, this "Fine Arts" Coverage Extension will be excess of the Limits of Insurance provided by the Fine Arts Coverage Form, and the deductible applicable to that Fine Arts Coverage Form will apply. This provision supersedes any conflicting other insurance provisions.

#### **ELEVATOR COLLISION FOR PERSONAL PROPERTY OF OTHERS**

You may extend the insurance that applies to the Personal Property of Others to apply direct physical loss of or damage to the Personal Property of Others caused by elevator collision, subject to the following provisions:

We will pay for direct physical loss of or damage to the Personal Property of Others in your care custody or control if:

1. The loss or damage is caused by collision of your elevator, or any property inside the elevator, with the elevator or any other objects; and
2. You are legally liable for that loss or damage.

Under this coverage, the most we will pay for any one occurrence is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

#### **BUSINESS PERSONAL PROPERTY AT UNSPECIFIED LOCATIONS**

If Business Personal Property is covered in your policy, you may extend the insurance that applies to Your Business Personal Property to apply to Business Personal Property as described in the paragraphs which directly follow. We will pay for direct physical loss or damage to Covered Business Personal Property at premises not shown in the Declarations caused by a Covered Cause of Loss to:

1. Business Personal Property of a similar type and kind to Covered Business Personal Property at described premises shown in the Declarations, including "stock" (including their containers); and
2. Similar samples of the "stock" of others.

However, coverage applies only when Covered Business Personal Property is owned, rented, leased, controlled, or used by the insured and located at a premises not shown in the Declarations.

This coverage does not apply to:

- a. Theft from an unattended vehicle except when it is securely locked, its windows are fully closed, and there is visible evidence that entry into the vehicle was forced. This exclusion does not apply to covered property in the custody of a carrier for hire.
- b. Losses covered under:
  - (1) The Property Off-Premises Coverage Extension of the Building and Personal Property Coverage Form, including any additional coverage provided under the Property Off-Premises Coverage Extension provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT; or
  - (2) The Property In Transit Additional Coverage Extension of the Causes of Losses – Special Form,

including any additional coverage provided under the Property In Transit Additional Coverage Extension provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

- (3) The Newly Acquired Or Constructed Property Coverage Extension of the Building and Personal Property Coverage Form, including any additional coverage provided under the Newly Acquired Or Constructed Property Coverage Extension provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT; or
- (4) Any other coverage, Coverage Extension or Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

The property distance limitations that appear in this policy do not apply to the coverage provided by this Business Personal Property At Unspecified Locations Additional Coverage.

#### **LIMIT OF INSURANCE:**

The most we will pay for loss or damage under this coverage for each occurrence is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, unless a higher limit is indicated by a PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy. If an occurrence involves more than one location, we will not pay more than the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT for the total of all loss or damage at all locations.

Any amount we pay is a part of, not in addition to, the Limit of Insurance applicable to the Covered Business Personal Property.

#### **COMPUTER COVERAGE**

You may extend the insurance that applies to Your Business Personal Property to apply to Covered Computer Property (defined as "Computer Hardware", "Computer Media", "Software" and "Electronic Data") as described in the provisions which directly follow.

1. We will pay for direct physical loss of or damage to your "Computer Hardware", "Computer Media", "Software" and "Electronic Data" arising from a Covered Cause of Loss while such property is located at the premises described in the Declarations.

We will also pay for similar Property of Others that you rent or lease that is in your care, custody and control while it is located at the premises described in the Declarations.

##### **a. Limit(s) of Insurance**

Under this Computer Coverage Extension, we will not pay more for the sum of all direct physical loss of or damage to Covered Computer Property (as listed below) occurring during one twelve month policy period than the amounts indicated below for each Covered Computer Property type. These Limits are annual aggregate limit(s) and apply no matter how many losses occur or how many buildings, premises or locations are insured, or the number of items of property sustaining loss.

- (1) "Computer Hardware" - **\$500,000**;
- (2) "Computer Media", "Software" and "Electronic Data" - **\$25,000**;
- (3) **Extra Expense** (as described in 2.a. of this Computer Coverage Extension) - **\$25,000**; and
- (4) **Property In Transit or Property Off-Premises** (as described in 2.f. of this Computer Coverage Extension) - **\$2,500**.

However, the Annual Aggregate Limit is subject to the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Therefore, in no event will we ever pay more in any single loss than the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

##### **b. Definitions:**

As used in this Computer Coverage Extension:

- (1) "Computer Hardware" means:
  - (a) Programmable electronic equipment that is used to store, retrieve and process data; and

(b) Associated peripheral equipment that provides communication, including input and output functions such as printing and auxiliary functions such as data transmission.

"Computer Hardware" does not include those used to operate production, processing type machinery or equipment of computers used in any type of industrial application.

- (2) "Computer Media" means processing, recording, or storage media used for electronic data processing operations. This includes films, tapes, cards, discs, drums, cartridges, or cells, but does not include "electronic data" or "software".
- (3) "Software" means computer programs which are a set of related electronic instructions and information which direct the operations and functions of a computer or device connected to it that enable the computer or device to receive, process, store, retrieve or send data or communications according to a set of specifications. "Software" does not include "electronic data".
- (4) "Electronic Data" means information, facts 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. "Electronic Data" does not include Data referenced in the definition of "Software" above.

2. Under this Computer Coverage Extension, we also cover:

a. **EXTRA EXPENSE – COMPUTER HARDWARE AND MEDIA**

We will pay the necessary Extra Expenses you incur to resume or continue your "operations" that have been interrupted due to direct physical loss of or damage to Covered "Computer Hardware" or "Computer Media" caused by or resulting from a Covered Cause of Loss while located at a premises described in the Declarations. We will pay the Extra Expense you incur during the "period of restoration" that is necessary to resume or continue your operations as nearly as practicable.

We also cover Extra Expenses that you incur as a result of:

- (1) Damage caused by a Covered Cause of Loss to premises described in the Declarations that prevents you from having access or using the Covered "Computer Hardware" or "Computer Media";
- (2) Damage caused by a Covered Cause of Loss to the air conditioning or electrical system that is necessary for the operation of the "Computer Hardware" and results in a reduction or suspension of your "operations". The Covered Cause of Loss must occur within **500** feet of a premises described in the Declarations; or
- (3) An order of a civil authority that specifically denies you access to a premises described in the Declarations. The order must be as a result of direct physical loss or damage caused by a Covered Cause of Loss to the described premises or to adjacent property. This extension is limited to two consecutive weeks from the date of the order. Any amount we pay is included in and does not increase the Limit of Insurance shown on the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT for Computer Coverage.

Only as used in this Extra Expense provision, "operations" means your normal "electronic data" processing operations occurring at premises described in the Declarations.

The most we will pay for Extra Expense under this Computer Coverage Extension is **\$25,000**. This limit is included in and is not in addition to any amount we pay for Extra Expense under the Business Income With Extra Expense Coverage Form, if such coverage is included in your policy.

b. **DEBRIS REMOVAL**

Only as respects the coverage provided by this Computer Coverage Extension, the Debris Removal Additional Coverage (and any additional limit for Debris Removal under a Limit Of Insurance clause or an endorsement) provided elsewhere in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply. The following applies instead:

**DEBRIS REMOVAL – COMPUTER HARDWARE AND MEDIA**

- (1) We will pay your expense to remove debris of Covered Computer Property from a premises described in the Declarations, when such debris is caused by or results from direct physical loss

of or damage to Covered "Computer Hardware" and "Computer Media" caused by or resulting from a Covered Cause of Loss.

- (2) We will not pay more under this Computer Coverage Debris Removal Extension than **25%** of the amount we pay for direct physical loss of or damage to Covered Computer Property. Any amount we pay under this provision is included in and is not in addition to the Limit of Insurance indicated in paragraph **1.a.(1)** and **1.a.(2)** of this Computer Coverage Extension.
- (3) We will not pay for Debris Removal Expenses unless a written report of such loss is received by us within **180** days of the date of direct physical loss or damage to the Covered Computer Property.

**c. NEWLY ACQUIRED LOCATIONS – COMPUTER HARDWARE AND MEDIA**

With respect to the coverage provided by this Computer Coverage Extension, the Newly Acquired Or Constructed Property – Your Business Personal Property Coverage Extension provided elsewhere in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply. The following applies instead:

**NEWLY ACQUIRED LOCATIONS – COMPUTER HARDWARE AND MEDIA**

If you acquire new locations that includes additional "Computer Hardware" and "Computer Media", we will pay for direct physical loss of or damage to such Covered Computer Property caused by or resulting from a Covered Cause of Loss at these newly acquired locations for up to **60** days from the date of acquisition or until you report the new location to us, whichever occurs first. However, this **60**-day period does not extend beyond the expiration date of your policy.

We will pay up to **\$25,000** at each new location. Any amount we pay under this provision is included in and is not in addition to the Limit of Insurance indicated in paragraph **1.a.(1)** and **1.a.(2)** of this Computer Coverage Extension.

**d. PRESERVATION OF COMPUTER PROPERTY**

With respect to the coverage provided by this Computer Coverage Extension, the Preservation of Property Additional Coverage provided elsewhere in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply. The following applies instead:

**PRESERVATION OF COMPUTER PROPERTY**

We will pay for direct physical loss of or damage to Covered "Computer Hardware" and "Computer Media" while it is being moved to another location in order to prevent a loss or damage by a Covered Cause of Loss. We will pay for direct physical loss of or damage to Covered "Computer Hardware" and "Computer Media" caused by a Covered Cause of Loss. Additionally, this coverage applies for up to **ten** days after the property is first moved to the new location, but does not extend past the date on which this policy expires.

This is not additional insurance. Any amount we pay under this provision is included in and is not in addition to the Limit of Insurance indicated in paragraph **1.a.(1)** and **1.a.(2)** of this Computer Coverage Extension.

**e. DUPLICATE "COMPUTER MEDIA"**

We will pay for direct physical loss of or damage to "Computer Media" that contain duplicates or back-up copies of "Software" and "Electronic Data" used in your business operations and caused by or resulting from a Covered Cause of Loss while stored at a premises not described in the Declarations, provided that such "Computer Media" is not covered under any other coverage form. Each storage location must be a separate building located at least **100** feet away from a premises described in the Declarations.

The most we pay for loss to such "Computer Media" at any one storage location is **\$25,000**. This is not additional insurance. Any amount we pay under this provision is included in and is not in addition to the Limit of Insurance indicated in paragraph **1.a.(1)** and **1.a.(2)** of this Computer Coverage Extension.

**f. COMPUTER PROPERTY IN TRANSIT AND OFF-PREMISES**

With respect to the coverage provided by this Computer Coverage Extension, the Property In

Transit Additional Coverage Extension and Property Off-Premises Coverage Extension provided elsewhere in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply. The following applies instead:

**“COMPUTER HARDWARE” AND “COMPUTER MEDIA” WHILE IN TRANSIT AND OFF-PREMISES**

We will pay for direct physical loss of or damage to Covered “Computer Hardware” and “Computer Media” caused by a Covered Cause of Loss while:

- a. In transit to or from the described premises; or
- b. At a location that is not described in the Declarations.

The most we pay under this Computer Coverage Extension for “Computer Hardware” and “Computer Media” while In Transit and Off-Premises is **\$2,500**. This is not additional insurance.

**g. LOSS CAUSED BY VIRUS**

We will pay the expenses you incur to repair, replace or restore “Software” and “Electronic Data” that has suffered loss or damage caused by an electronic virus, harmful programming code or similar instruction introduced into or enacted on a computer system or a network to which it is connected that was designed to damage or destroy any part of the system or disrupt its normal operation by erasure, corruption or infection of the “Software” or “Electronic Data”.

To the extent that “Software” or “Electronic Data” is not replaced or restored, the loss will be valued at the cost of replacement of the “Computer Media” on which the “Software” or “Electronic Data” was stored, with blank “Computer Media” of substantially identical type.

However, we will not pay for expenses you incur, loss or damage caused by or resulting from manipulation of a computer system (including electronic data) by any insured, 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.

The most we will pay under this Computer Coverage Extension for LOSS CAUSED BY VIRUS is **\$2,500** for all expenses you incur, 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. This is not additional insurance.

The Limits of Insurance provided under the above paragraphs **2.a.** through **2.g.** are included in and do not increase the Limit(s) of Insurance for each coverage shown on the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT for the Computer Coverage Extension and indicated in paragraph **1.a.**, as applicable, of this Computer Coverage Extension.

**3. DEDUCTIBLE**

The Deductible that applies to this Computer Coverage Extension is the Deductible applicable to Business Personal Property shown in the Declarations, unless a different deductible is indicated in the PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy.

**4. PROPERTY NOT COVERED**

For the purpose of the coverage provided by this Computer Coverage Extension, the following is added to **A.2.** Property Not Covered of the Building and Personal Property Form and the Condominium Association Coverage Form:

- a. “Computer Hardware” and “Computer Media” (including associated “Software” and “Electronic Data”) which are permanently installed or designed to be permanently installed in any aircraft, watercraft, motortruck or other vehicle subject to motor vehicle registration. This paragraph does not apply to “computer hardware” or “computer media” while held as “stock”.
- b. Property that you loan, lease or rent to others.
- c. “Stock” you hold for sale, unless indicated otherwise in the coverage that follows.
- d. Money, securities, notes, currency, stamps, food stamps, and lottery tickets or their representations,

EFT (electronic fund transfers) or other such monetary transactions, including while in the course of transmission by electronic means.

## 5. EXCLUSIONS

This Computer Coverage Extension is subject to all the terms, Limitations, Exclusions and Conditions of the Building and Personal Property Form, the Condominium Association Coverage Form, the Business Income (And Extra Expense), the Business Income (Without Extra Expense) and the Causes of Loss – Special Form, amended as follows:

a. **B. Exclusions** of the Causes of Loss – Special Form do **not** apply to this coverage, except:

- o **B.1.a., B.1.b., B.1.c., B.1.d., B.1.f.** and **B.1.g.**;
- o **B.2.a., B.2.b., B.2.d., B.2.h., B.2.i., B.2.j., B.2.l., B.2.m.**; and
- o **B.3.b., B.4.a.(3)** and **B.4.a.(4)**.

b. The following are added:

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.

**(1) Electrical Disturbance**

Electrical or magnetic damage, or disturbance or derangement of electronic recordings, corruption or erasure of electronic recordings or documents;

**(2) Utility Supply Interruption**

Interruption of power supply, power surge, blackout, or brownout

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

**(a)** Originates away from the described premises; or

**(b)** 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.

**(3) Lease Provisions**

Any loss for which you are not legally responsible under the terms of a contract, lease or rental agreement.

**(4) Virus or Other Harmful Programming Code**

Loss, damage or expense incurred caused by or resulting from a virus, harmful programming code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected that has been designed to damage or destroy any part of the system or disrupt its normal operation, except as provided in paragraph **2.g.** LOSS BY COMPUTER VIRUS of the Computer Coverage Extension.

This exclusion also includes 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.

## AMENDMENTS TO C. LIMITS OF INSURANCE



**SIGNS ATTACHED TO BUILDINGS**

The following paragraph is deleted from section **C. Limits of Insurance**:

“The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to a building, is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT per sign in any one occurrence.”

**AMENDMENTS TO D. DEDUCTIBLE**

The following replaces **D. Deductible**:

**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 for each element of property that is rated on a blanket basis or that is listed as a separate location on the policy.

**1. SINGLE LOCATION POLICIES:**

Except in cases where Paragraph 2. below applies, coverages provided under the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT are subject to the deductibles shown in the Commercial Property Declarations and applied in accordance with the illustrations in paragraph D, unless a different deductible is specified as applicable to a particular coverage within the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT or a PROTECTO-GUARD Change Endorsement attached to your policy.

**Example No. 1:**

(This example assumes there is no coinsurance penalty.)

|                               |    |        |
|-------------------------------|----|--------|
| Deductible:                   | \$ | 250    |
| Limit of Insurance – Bldg. 1: | \$ | 60,000 |
| Limit of Insurance – Bldg. 2: | \$ | 80,000 |
| Loss to Bldg. 1:              | \$ | 60,100 |
| Loss to Bldg. 2:              | \$ | 90,000 |

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

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

|    |                               |
|----|-------------------------------|
| \$ | 60,100                        |
| –  | 250                           |
| \$ | 59,850 Loss Payable – Bldg. 1 |

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

Total amount of loss payable: \$59,850 + 80,000 = \$139, 850

**Example No. 2:**

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

The Deductible and Limits of Insurance are the same as those in Example No. 1.

Loss to Bldg. 1: \$ 70,000



(exceeds Limit of Insurance plus Deductible)  
 Loss to Bldg. 2: \$ 90,000 (exceeds  
 Limit of Insurance plus Deductible)  
 Loss Payable – Bldg. 1: \$60,000  
 (Limit of Insurance)  
 Loss Payable – Bldg. 2: \$80,000  
 (Limit of Insurance)  
 Total amount of loss payable:  
 \$140,000

**MULTIPLE LOCATION POLICIES OR POLICIES RATED ON A BLANKET BASIS:**

The above Example(s) No. 1 and No. 2 do not apply when Covered Property is damaged in the same occurrence at multiple Locations insured under the same policy or when Blanket Limits of Insurance apply. Instead, the Deductible will apply once to loss payable at Each Location.

Example No. 3: Applying to Loc. 1 on the policy  
 (This example assumes there is no coinsurance penalty.)  
 Deductible: \$ 250  
 Limit of Insurance – Loc. 1 Bldg. 1: \$ 60,000  
 Limit of Insurance – Loc. 1 Bldg. 2: \$ 80,000  
 Loss to Loc. 1 Bldg. 1: \$ 60,100  
 Loss to Loc. 1 Bldg. 2: \$ 90,000

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

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Loc. 1 Bldg. 1:  
 \$ 60,100  
 – 250  
 \$ 59,850 Loss Payable – Bldg. 1

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Loc. 1 Bldg. 2. Loss payable for Loc. 1 Bldg. 2 is the Limit of Insurance of \$80,000.  
 Total amount of loss payable: \$59,850 + 80,000 = \$139,850 for Loc. 1, Bldg(s).1 and 2

**Example No. 4, Applying to Loc. 2 on the same policy**

Deductible: \$ 250  
 Limit of Insurance – Loc. 2 Bldg. 1: \$ 60,000  
 Limit of Insurance – Loc. 2 Bldg. 2: \$ 80,000  
 Loss to Loc. 2 Bldg. 1: \$ 60,100  
 Loss to Loc. 2 Bldg. 2: \$ 90,000

The amount of loss to Bldg. 1 (\$60,100) is less than the sum (\$60,250) of the Limit of Insurance applicable to Loc. 2 Bldg. 1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Loc. 2 Bldg. 1:  
 \$ 60,100  
 – 250  
 \$ 59,850 Loss Payable – Loc. 2 Bldg. 1

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

Total amount of loss payable:  $\$59,850 + 80,000 = \$139,850$  for Loc. 2 Bldg(s). 1 and 2 Total Loss Payment for Location(s) 1 and 2 =  $\$139,850 + \$139,850 = \$279,700$

**Example No. 5, for policies rated on a Blanket Basis**

When Blanket Limits apply (assume for Example 5 that Locs. 1 and 2 have a Blanket Limit of \$500,000, and that the other information set out in Examples No. 1-4 for these properties apply).

|                         |           |
|-------------------------|-----------|
| Deductible: \$          | 250       |
| Loss to Loc. 1 Bldg. 1: | \$ 60,100 |
| Loss to Loc. 1 Bldg. 2: | \$ 90,000 |
| Loss to Loc. 2 Bldg. 1: | \$ 60,100 |
| Loss to Loc. 2 Bldg. 2: | \$ 90,000 |

The combined losses to the four buildings subject to the Blanket Limit are less than the Blanket Limit. Hence, only one deductible can be taken, and the losses can be paid as follows:

|                         |                              |
|-------------------------|------------------------------|
| Loss to Loc. 1 Bldg. 1: | \$ 60,100 less 250 = 59,850. |
| Loss to Loc. 1 Bldg. 2: | \$ 90,000 (no deductible)    |
| Loss to Loc. 2 Bldg. 1: | \$ 60,100 (no deductible)    |
| Loss to Loc. 2 Bldg. 2: | \$ 90,000 (no deductible)    |

**AMENDMENT TO THE CAUSES OF LOSS – SPECIAL FORM**

The following modifies insurance provided under the Causes of Loss Special Form:

**AMENDMENTS TO THE PROPERTY DISTANCE EXTENSION**

The following amends the coverage provided under the Causes of Loss – Special Form:

**PROPERTY DISTANCE EXTENSION**

In each instance where it appears in the form, the property distance limitation of 100 feet is changed to **1,000** feet. Loss payment under this Additional Coverage will not increase the applicable Limit of Insurance.

**ADDITIONS TO ADDITIONAL COVERAGES – CAUSES OF LOSS – SPECIAL FORM**

The following amendments apply to **ADDITIONAL COVERAGES** of the **CAUSES OF LOSS – SPECIAL FORM**.

As used in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, Limited Additional Coverages means:

1. The Limits of Insurance provided by the coverages in the following section are limited to the amount shown in the Table of Coverages and only to the extent as specified in each Limited Additional Coverage provision; and
2. No other coverage provided in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT contributes Limits in addition to the Limited Additional Coverages described in this section.

**The following are added as ADDITIONAL COVERAGES:**

**ADDITIONAL COVERAGE – EARTHQUAKE AND VOLCANIC ERUPTION LIMITED ADDITIONAL COVERAGE**

- A. This EARTHQUAKE AND VOLCANIC ERUPTION LIMITED ADDITIONAL COVERAGE applies to the Covered Property for which a Limit of Insurance is shown in the Declarations.
- B. **Limited Additional Coverage**
  1. Subject to the terms contained in this Earthquake and Volcanic Eruption provision, Earthquake and Volcanic Eruption Limited Additional Coverage as described immediately below are provided. As used in this coverage provision, Earthquake and Volcanic Eruption means:
    - a. Earthquake, and
    - b. Volcanic Eruption, meaning the eruption, explosion or effusion of a volcano.

2. We will pay for loss or damage caused by or resulting from Earthquake and Volcanic Eruption as defined in paragraph 1. above. As used in this Limited Additional Coverage, the term loss or damage means direct physical loss or damage to Covered Property caused by the causes described in paragraph 1. above, including the cost of removal of the debris resulting from the loss or damage to the Covered Property.

If a Business Income and Extra Expense or Business Income Without Extra Expense Coverage Form is attached to your policy, we will also pay for your actual loss of income (and extra expense if applicable) arising out of the direct physical loss of or damage to Covered Property caused by or resulting from Earthquake and Volcanic Eruption.

3. All Earthquake shocks or Volcanic Eruptions that occur within any 168-hour period will constitute a single Earthquake or Volcanic Eruption. The expiration of this policy will not reduce the 168-hour period.

**C. Exclusions, Limitations And Related Provisions**

1. To the extent that the Earth Movement Exclusion in the Causes of Loss – Special Form might conflict with coverage provided under this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, the Earth Movement Exclusion does not apply.
2. The Exclusions and Limitation(s) sections of the Causes of Loss - Special Form apply to Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, except as provided in a. and b. immediately below:
  - a. The Earth Movement Exclusion in the Causes of Loss - Special Form does not apply to Earthquakes and Volcanic Eruptions otherwise covered by this Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
  - b. The exclusion of collapse, in the Causes of Loss-Special Form does not apply to collapse caused by Earthquakes or Volcanic Eruptions otherwise covered by this Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
3. The Additional Coverage – Collapse, in the Causes of Loss – Special Form does not apply to collapse caused by Earthquake and/or Volcanic Eruption.
4. We will not pay for loss or damage caused directly or indirectly by tidal wave or tsunami, even if attributable to an Earthquake or Volcanic Eruption.
5. We will not pay for loss or damage caused by or resulting from any Earthquake or Volcanic Eruption that begins before the inception of this insurance.
6. The Ordinance Or Law Exclusion in the Causes of Loss – Special Form continues to apply with respect to any loss under this Coverage Part including any loss under this Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, unless Ordinance Or Law Coverage is added by a separate endorsement.
7. We will not pay for loss of or damage to exterior masonry veneer (except stucco) on wood frame walls caused by or resulting from Earthquake or Volcanic Eruption. The value of such veneer will not be included in the value of Covered Property or the amount of loss when applying the Property Damage Deductible applicable to this Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

This limitation does not apply if less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco).  
This limitation (C.7.) does not apply if:

  - a. The Declarations indicate that the “Including Masonry Veneer” option applies; or
  - b. Less than 10% of the total outside wall area is faced with masonry veneer (excluding stucco).
8. Any loss or damage to land, and/or any cost arising out of the need to restore or remediate land is

excluded. Land is not covered property, nor is the cost of excavations, grading, backfilling or filling.

9. The Additional Coverage - Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is not a "specified cause of loss."

**D. No Coinsurance**

The Coinsurance Condition in this policy, if any, does not apply to Earthquake and Volcanic Eruption Limited Additional Coverage.

Various Coverage Extensions in the Commercial Property Coverage Part require coinsurance. The coinsurance requirement for such Coverage Extensions is eliminated with respect to coverage provided under Earthquake and Volcanic Eruption Limited Additional Coverage.

**E. Limits**

As respects Earthquake and Volcanic Eruption Limited Additional Coverage provided by the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, the following replaces the Limits of Insurance sections in the applicable coverage forms:

The term Limit of Insurance means the Limit of Insurance applicable to Earthquake – Volcanic Eruption Limited Additional Coverage shown on the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT or on an Earthquake – Volcanic Eruption Coverage Schedule attached to your policy.

**1. Blanket Annual Aggregate Limit**

Subject to **E.3.** below, the Blanket Annual Aggregate Limit of Insurance applicable to Earthquake and Volcanic Eruption Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT Blanket Annual Aggregate.

This is a Blanket Annual Aggregate limit and applies no matter how many:

- a. Locations, premises, or buildings covered, or
- b. Types of coverage (such as Building, Business Personal Property, Business Income, Ordinance or Law, etc.) included in your policy are involved in a single Earthquake or Volcanic Eruption.

As used in this provision, Blanket Annual Aggregate Limit means that the the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is the most we will pay for the total of **all** loss or damage to Buildings and Business Personal Property (including any loss of income payable under the Business Interruption with or without Extra Expense Coverage Form(s) if attached to your policy) caused by Earthquake and/or Volcanic Eruption in a **12**-month period (starting with the beginning of the present annual policy period), even if there is more than one Earthquake and/or Volcanic Eruption during that period of time. Therefore, if the first Earthquake or Volcanic Eruption does not exhaust the Limit of Insurance, then only the balance of that Limit is available for a subsequent Earthquake(s) and/or Volcanic Eruption(s), should they also occur within the 12-month policy period.

If a single Earthquake or Volcanic Eruption (as defined in Section **A.** of this coverage) begins during one annual policy period and ends during the following annual policy period, any Limit of Insurance applicable to the following annual policy period will not apply to such Earthquake or Volcanic Eruption.

**2. Additional Coverages, Coverage Extensions and Endorsements**

Amounts payable under Additional Coverages, Coverage Extensions or endorsements (except endorsements specifically providing additional Earthquake and Volcanic Eruption Coverage limits) attached to your policy do not increase the Blanket Annual Aggregate Limit of Insurance for Earthquake And Volcanic Eruption Limited Additional Coverage described in paragraph **E.1.** above and provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. However, this Blanket Annual Aggregate Limit of Insurance is subject to paragraph **E.3.** below.

3. **Limitation For Covered Property**

We will not pay more for direct physical loss of or damage to Covered Property in any single occurrence than we would pay in the absence of the Earthquake and Volcanic Eruption Blanket Annual Aggregate Limit. Therefore, the maximum amount payable for Covered Property is the Limit of Insurance or stated value (as shown in a Statement of Values on file with us) specific to that Building or Business Personal Property for fire losses shown in the Declarations.

4. **Ensuing Loss**

If a Cause of Loss (such as fire) is covered by means of an exception to the Earth Movement Exclusion in the Causes of Loss Form, we will also pay for the loss or damage caused by that other Covered Cause of Loss. But the most we will pay for the total of all loss or damage caused by the Earthquake, Volcanic Eruption and that other Covered Cause of Loss is the Limit of Insurance applicable to such other Covered Cause of Loss. We will not pay the sum of the two Limits. We will not pay more for the Earthquake and Volcanic Eruption portion of the loss than the Earthquake and Volcanic Eruption Limited Additional Coverage Limit of Insurance shown on the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

**Examples – Ensuing Loss**

Two examples follow, using these facts: The Commercial Property Coverage Part, in these examples, includes the Causes of Loss – Basic Form (which covers fire) and this Earthquake and Volcanic Eruption Limited Additional Coverage.

- A building is damaged by Earthquake, and by Fire which is caused by the Earthquake.
- The value of the damaged building is \$1,000,000.
- The Limit of Insurance applicable to the building, for the Basic Causes of Loss, is \$800,000.
- The Limit of Insurance for Earthquake – Volcanic Eruption is \$400,000.
- The Earthquake Deductible amount is \$50,000.

**Example #1**

The damage due to Earthquake is \$500,000.

The damage due to Fire is \$500,000.

Payment for Earthquake damage is \$400,000 (\$500,000 damage minus \$50,000 Earthquake deductible = \$450,000; Limit is \$400,000)

Payment for Fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the Earthquake Limit)

Total Loss Payment is \$800,000.

**Example #2**

The damage due to Earthquake is \$800,000.

The damage due to Fire is \$100,000.

Payment for Earthquake damage is \$400,000 (\$800,000 damage minus \$50,000 Earthquake deductible = \$750,000; Limit is \$400,000)

Payment for Fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

5. **Business Income, Extra Expense and Actual Loss Sustained**

The Actual Loss Sustained Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply to the Earthquake and Volcanic Eruption Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

F. **Property Damage Deductible**

Only as respects the coverage provided in this EARTHQUAKE AND VOLCANIC ERUPTION LIMITED ADDITIONAL COVERAGE, the Deductible section in the Building and Personal Property Coverage Form is replaced with the following:

1. The Deductible provisions apply to each Earthquake or Volcanic Eruption as defined in **B.3.** of this Earthquake or Volcanic Eruption Limited Additional Coverage and ensuing loss;
2. The Deductible for Earthquake and Volcanic Eruption Limited Additional Coverage is **\$10,000.**

3. Separate Deductibles apply to: each building, personal property at each building and personal property in the open. Deductibles are applied separately even if:
    - a. Two or more buildings sustain loss or damage;
    - b. Personal property at two or more buildings sustains loss or damage; and/or
    - c. A building and the personal property in that building sustain loss or damage.
  4. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance.
  5. If there is loss or damage caused by Earthquake or Volcanic Eruption, and loss or damage caused by a Cause of Loss (e.g. fire) that is covered by means of an exception to the Earth Movement Exclusion in the Causes of Loss – Special Form, then only the Earthquake and Volcanic Eruption Deductible provisions provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT apply.
  6. Earthquake and Volcanic Eruption Limited Additional Coverage Deductibles provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT are applicable to all Coverage Forms attached to this Coverage Part except:
    - a. Business Income (And Extra Expense) Coverage Form;
    - b. Business Income (Without Extra Expense) Coverage Form; and
    - c. Extra Expense Coverage Form.
- G. Limitation to Designated Buildings, Locations and Premises**  
 Earthquake and Volcanic Eruption Limited Additional Coverage applies only at buildings, locations and premises scheduled for property coverage in the Declarations.  
 Earthquake and Volcanic Eruption Limited Additional Coverage does not apply to the **Newly Acquired or Constructed Property Coverage Extension** or to the **Business Personal Property At Unspecified Locations Coverage Extension**.
- H. Other Insurance Condition**  
 The following is added to the Other Insurance section of the Commercial Property Conditions:  
 You may purchase Earthquake and Volcanic Eruption Insurance in excess of the amount(s) provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Excess Earthquake and Volcanic Eruption insurance will not be considered other insurance, nor shall it be considered in the application of any pro-rata liability.

**ADDITIONAL COVERAGE – FLOOD AND/OR MUDSLIDE LIMITED ADDITIONAL COVERAGE (COVERAGE APPLIES ONLY IN ZONES C AND X)**

- A. Coverage under this Flood and/or Mudslide Limited Additional Coverage applies ONLY to loss or damage occurring at premises listed for property coverage in the Designation of Premises Schedule and which are within:
  - i. Flood Zones C or X; or
  - ii. Flood Zone B, but only if the loss occurs at a premises listed in the Flood Zone B Schedule of the PROFLOSCH form or
  - iii. Flood Zone D, but only if the loss occurs at a premises listed in the Flood Zone D Schedule of the PROFLOSCH form.

References to Zones B, C, D, and X throughout the section which follows refer to Flood Map Zones established by the Federal Emergency Management Agency (FEMA) Mitigation Directorate's administration of the National Flood Insurance Program (NFIP). Should the boundaries of Zone(s) B, C, D, and/or X be revised under the NFIP during the policy period, such that the insured's premises is reassigned to a zone outside Zone(s) B, C, D, or X, coverage under this Flood and/or Mudslide Limited Additional Coverage will continue until the expiration date of your policy.

- B This Flood and/or Mudslide Limited Additional Coverage applies to the Covered Property for which a Limit of Insurance is shown in the Declarations.

- C. Subject to the provisions of this Flood and/or Mudslide Limited Additional Coverage section, Flood and/or Mudslide as described immediately below are provided:
1. Flood, meaning a general and temporary condition of partial or complete inundation of normally dry land areas due to:
    - a. Surface water, waves, tides, tidal waves, overflow of any body of water or their spray all whether driven by wind or not.
    - b. The overflow of inland or tidal waters;
    - c. The unusual or rapid accumulation or runoff of surface waters from any source; or
  2. Mudslide or mudflow which are caused by flooding as defined in **C.1.(c)** above. For the purposes of this Flood and/or Mudslide Limited Additional Coverage, a mudslide or mudflow involves a river of liquid and flowing mud on the surface of normally dry land areas as when earth is carried by a current of water and deposited along the path of the current.

All flooding in a continuous or protracted event will constitute a single flood.

Coverage provided by this Flood and/or Mudslide Limited Additional Coverage applies only to losses occurring in NFIP Zones C and X.

- D. We will pay for loss or damage to Covered Property caused by or resulting from Flood and/or Mudslide as defined in paragraph **C.** above at the location(s) shown in the Declarations. As used in this Flood and/or Mudslide Limited Additional Coverage, the term loss or damage means direct physical loss of or damage to Covered Property caused by the causes described in paragraph **C.** above, including the cost of removal of the debris resulting from the loss or damage to the Covered Property.

If a Business Income and Extra Expense or Business Income Without Extra Expense Coverage Form is attached to your policy, we will also pay for your loss of income (and extra expense if applicable) arising out of the loss or damage by Flood and/or Mudslide to Covered Property.

We will not pay for loss or damage caused by or resulting from any Flood and/or Mudslide that begins before the inception of this insurance.

**E. EXCLUSIONS, LIMITATIONS AND RELATED PROVISIONS**

1. The Additional Coverage – Collapse, in the Causes of Loss – Special Form does not apply to collapse caused by Flood and/or Mudslide as defined in this Flood and/or Mudslide Limited Additional Coverage of the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
2. The following exclusions and limitations are added and apply to the Flood and/or Mudslide Limited Additional Coverage provided in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT:

If the Flood is due to the overflow of inland or tidal waters, then the Flood is considered to begin when the water first overflows its banks.

- a. We will not pay for loss or damage caused by or resulting from destabilization of land arising from the accumulation of water in subsurface land areas.
- b. Under this Coverage Part, as set forth under Property Not Covered in the Building and Personal Property Coverage Form to which this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is attached, land is not covered property, nor is the cost of excavations, grading, backfilling or filling. Therefore, coverage under this Flood and/or Mudslide Limited Additional Coverage in this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not include the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from Flood and/or Mudslide.

However, coverage under this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT includes damage to the covered portions of the building and to covered personal property, caused by collapse or sinking of land along the shore of a body of water as the result of erosion or undermining caused by waves or currents of water which exceed the cyclical levels and cause Flood.

Even if a PROTECTO-GUARD CHANGE ENDORSEMENT is attached to your policy providing coverage for excavations, grading, backfilling or filling, then the cost of restoring or remediating land due to the collapse or sinking of land caused by or resulting from Flood and/or Mudslide is



**not** covered under this Flood and/or Mudslide Limited Additional Coverage.

- c. We do not cover loss or damage by Flood to personal property in the open except to the extent that such coverage, if any, is specified in the Flood Coverage Schedule or in the Declarations.
- d. Property Not Covered in the Building and Personal Property Coverage Form to which this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is attached, is amended and supplemented as follows only with respect to Flood and/or Mudslide Limited Additional Coverage:
  - (1) Property Not Covered includes any building or other property that is not eligible for flood insurance pursuant to the provisions of the Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq. and the Coastal Barrier Improvement Act of 1990, Pub. L. 101-591, 16 U.S.C. 3501 et seq.
  - (2) Property Not Covered includes boat houses and open structures, and any property in or on the foregoing, if the structure is located on or over a body of water.
  - (3) If bulkheads, pilings, piers, wharves, docks, or retaining walls that are not part of a building have been removed from Property Not Covered and added as Covered Property by separate endorsement, this Flood and/or Mudslide Limited Additional Coverage does not apply to such property.
  - (4) The following are removed from Property Not Covered and are therefore Covered Property:
    - (a) Foundations below the lowest basement floor or the subsurface of the ground; and
    - (b) Underground pipes, flues and drains.
- e. We will not pay for loss or damage caused by sewer back-up or overflow under this Additional Coverage – Flood or Mudslide Limited Additional Coverage unless such back-up or overflow results from Flood and occurs within **72** hours after the flood recedes.
- f. The Additional Coverage - Flood and/or Mudslide Limited Additional Coverage provided here is not a "specified cause of loss."

**F. Additional Coverages And Coverage Extensions**

Other than as provided in **F.2.** below, the following applies to all Additional Coverages and Coverage Extensions provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, the Causes of Loss – Special Form, the Building and Personal Property Coverage Form or the Condominium Association Coverage Form:

- 1. Amounts payable under Additional Coverages, Coverage Extensions (except endorsements specifically providing additional Flood and/or Mudslide Coverage limits) of this endorsement or any Coverage Form included in your policy, do not increase the Limit of Insurance for Flood and/or Mudslide Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.
- 2. With respect to Flood and/or Mudslide Limited Additional Coverage, the Debris Removal Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT (and any additional limit for Debris Removal under a Limit Of Insurance clause or an endorsement) does not apply and is replaced with the following:

**DEBRIS REMOVAL**

- a. We will pay your expense to remove debris of Covered Property, when such debris is caused by or results from Flood and/or Mudslide. However, we will not pay to remove deposits of mud or earth from the grounds of the described premises.
- b. We will also pay the expense to remove debris of Covered Property that has floated or been hurled off the described premises by Flood and/or Mudslide.
- c. This coverage for Debris Removal, as set forth in **F.2.a.** and **F.2.b.** above, does not increase the applicable Limit of Insurance for Flood and/or Mudslide Additional Coverage. Therefore, the most we will pay for the total of debris removal and direct physical loss of or damage to Covered Property, plus any loss of income payable arising out of the loss to Covered Property, is the Limit of Insurance for Flood and/or Mudslide Limited Additional Coverage shown on the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT or



on a Flood Schedule attached to your policy that applies to the Covered Property at the affected described premises.

3. With respect to Flood and/or Mudslide Limited Additional Coverage, the Coverage Extension for Newly Acquired or Constructed Property and Business Personal Property at Unspecified Locations does not apply.
4. Various Coverage Extensions, in the Building and Personal Property Coverage Form to which this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT is attached, require coinsurance. If the No-Coinsurance Option applies, then the coinsurance requirement for such Coverage Extensions is eliminated.
5. **Business Income, Extra Expense and Actual Loss Sustained**  
The Actual Loss Sustained Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply to the Flood and/or Mudslide Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

#### **G. Limit of Insurance**

##### **1. Application Of Limit And Blanket Annual Aggregate**

The amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT for Flood and/or Mudslide Limited Additional Coverage is the most we will pay during any 12-month period, no matter how many:

- a. Locations, premises, buildings; or
- b. Types of coverage (such as Building, Business Personal Property, Business Income, Ordinance or Law, etc.);

that occur during that 12-month policy period.

The Blanket Annual Aggregate Limit of Insurance is the most we will pay for the total of all loss or damage to covered:

(1) Buildings; and

(2) Business Personal Property;

including associated

- i. Debris Removal expense; and
- ii. Loss of Income (if Business Income with or without Extra Expense Coverage Form(s) are attached to your policy);

that is caused by Flood and/or Mudslide in a 12-month period (starting with the beginning of the present annual policy period), even if there is more than one occurrence of Flood and/or Mudslide during that period of time. If there is more than one Flood and/or Mudslide in a 12-month period (starting with the beginning of the present annual policy period), the most we will pay for the total of all loss or damage sustained during that period of time and caused by Flood and/or Mudslide is the amount shown as the Blanket Annual Aggregate Limit of Insurance for Flood and/or Mudslide Additional Coverage shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Should the first Flood and/or Mudslide event not exhaust the applicable Limit of Insurance, then the balance of that Limit is available for a subsequent Flood(s) and/or Mudslide(s) that occur during the 12-month policy period.

If a single occurrence of Flood and/or Mudslide event begin during one annual policy period and end during the following annual policy period, any Annual Aggregate Limit of Insurance applicable to the following annual policy period will **not** apply to that Flood and/or Mudslide loss.

##### **3. Ensuing Loss**

Under the Flood and/or Mudslide Limited Additional Coverage, we will not pay for loss or damage by fire, explosion or sprinkler leakage. Coverage for Fire, Explosion or Sprinkler Leakage ensuing Flood and/or Mudslide is provided by the Special Causes of Loss form under the exception to Exclusion B.1.g.

If a Flood and/or Mudslide is covered under this endorsement and an ensuing Fire, Explosion or Sprinkler Leakage loss is covered under the Causes of Loss Special Form by means of an exception

to Exclusion **B.1.g.**, the most we will pay for the total of **all** loss or damage caused by the Flood and/or Mudslide and the Fire, Explosion and/or Sprinkler Leakage is the Limit of Insurance applicable to the Fire, Explosion and/or Sprinkler Leakage. We will not pay the sum of the limits for Fire, Explosion and Sprinkler Leakage and Flood and/or Mudslide. We will not pay more for the Flood and/or Mudslide portion of the loss than the Flood and/or Mudslide Limited Additional Coverage Limit of Insurance provided by this endorsement. In the event of covered ensuing loss, for example, loss caused by Fire, Explosion and/or Sprinkler Leakage which results from the Flood and/or Mudslide, the most we will pay, for the total of all loss or damage caused by flood and/or mudslide, fire, explosion and sprinkler leakage, is the Limit of Insurance applicable to Fire.

#### **EXAMPLES – ENSUING LOSS**

Two examples follow, using these facts: The Commercial Property Coverage Part, in these examples, includes the Causes of Loss – Basic Form (which covers fire) and this Flood and/or Mudslide Coverage. A building is damaged by Flood and by Fire which is caused by the Flood. The value of the damaged building is \$1,000,000. The Limit of Insurance applicable to the building, for the Basic Causes of Loss, is \$800,000. The Limit of Insurance for Flood is \$400,000. The Flood Deductible amount is **\$10,000**.

##### **EXAMPLE #1**

The damage due to Flood is \$500,000. The damage due to Fire is \$500,000.

Payment for Flood damage is \$400,000 (\$500,000 damage minus **\$10,000** Flood deductible = \$490,000; Limit is \$400,000)

Payment for Fire damage is \$400,000 (\$500,000 damage capped at the difference between the Basic Limit and the Flood Limit)

Total Loss Payment is \$800,000.

##### **EXAMPLE #2**

The damage due to Flood is \$800,000. The damage due to Fire is \$100,000.

Payment for Flood damage is \$400,000 (\$800,000 damage minus **\$10,000** Flood deductible = \$790,000; Limit is \$400,000)

Payment for Fire damage is \$100,000 (amount of damage)

Total Loss Payment is \$500,000.

**Note:** These Examples are given only to illustrate the situation of flood and ensuing loss. Therefore, the loss payment stated for flood damage does not address the situation where another policy also covers the flood damage.

#### **H. Deductible**

1. The Deductible for coverage provided under this Flood and/or Mudslide Limited Additional Coverage is the Deductible applicable to Flood and/or Mudslide as shown in the Flood Coverage Schedule or in the Declarations as applicable to the Covered Property.
2. We will not pay that part of the loss that is attributable to any Deductible(s) in the National Flood Insurance Program policy.
3. If Flood and/or Mudslide results in another Covered Cause of Loss and if both Covered Causes of Loss cause loss or damage, then only the higher deductible applies (e.g., the Flood deductible or the Fire deductible).
4. Deductibles described in Paragraph **5.** immediately below are applicable to all Coverage Forms extending coverage to this Flood and/or Mudslide Limited Additional Coverage except:
  - a. Business Income (And Extra Expense) Coverage Form;
  - b. Business Income (Without Extra Expense) Coverage Form; and
  - c. Extra Expense Coverage Form.
5. The Deductible section in the Building and Personal Property Coverage Form is replaced by the following, but only with respect to Flood and/or Mudslide and ensuing loss:
  - a. The Deductible provisions apply to each Flood and/or Mudslide loss.
  - b. The Deductible for Flood and/or Mudslide is **\$10,000**.
  - c. Separate Deductibles apply to: each building, personal property at each building and personal

property in the open. Deductibles are applied separately even if:

- (1) Two or more buildings sustain loss or damage;
- (2) Personal property at two or more buildings sustains loss or damage; and/or
- (3) A building(s) and personal property sustain loss or damage.

- d. We will not pay for loss or damage until the amount of loss or damage exceeds the applicable Deductible. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance.
- e. If in one occurrence, there is loss or damage caused by Flood and/or Mudslide and loss or damage caused by a Cause of Loss (e.g., fire) that is covered by means of an exception to Exclusion **B.1.g.** of the Causes of Loss – Special Form, then only the Deductible applicable to the Flood and/or Mudslide applies.

#### **I. Other Insurance**

The Other Insurance Commercial Property Condition is replaced by the following with respect to the coverage provided under this Flood and/or Mudslide Limited Additional Coverage:

1. If the loss is also covered under a National Flood Insurance Program (NFIP) policy, then we will pay only for the amount of loss in excess of the maximum limit that can be insured under that policy. This provision applies whether or not the maximum NFIP limit was obtained or maintained, and whether or not you can collect on the NFIP policy. We will not, under any circumstances, pay more than the applicable Limit of Insurance for Flood and/or Mudslide as stated in the Flood Coverage Schedule or the first page of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT as applicable to this Flood and/or Mudslide Limited Additional Coverage.
2. If the loss or damage to Covered Property is covered under this Flood and/or Mudslide Limited Additional Coverage and also covered under the PUBLIC WATER SUPPLY SYSTEMS – LIMITED ADDITIONAL COVERAGE Form –PUBLIC01, the most we will pay for the total of all loss or damage to Covered Property is:
  - a. The Blanket Annual Aggregate Limit of Insurance (or the unused remainder of the Blanket Annual Aggregate as described in paragraph **G.1.** above) applicable to Flood and/or Mudslide Limited Additional Coverage; or
  - b. The Limit of Insurance applicable to the Covered Property shown in the Declarations.In no event will we pay the sum of the Limits applicable to each of the coverages (i.e., the sum of the Flood and/or Mudslide Limited Additional Coverage Limit, Sewer and Drain Back-up and Overflow and Sump Overflow – Limited Additional Coverage and Public Water Supply Systems – Limited Additional Coverage).
3. If the loss or damage to Covered Property is covered under this Flood and/or Mudslide Limited Additional Coverage and is also covered under the BLANKET ORDINANCE OR LAW COVERAGE ENDORSEMENT Form ORD01, the most we will pay for the total of all loss or damage is:
  - a. The Blanket Annual Aggregate Limit of Insurance (or the unused remainder of the Blanket Annual Aggregate as described in paragraph **G.1.** above) applicable to Flood and/or Mudslide Limited Additional Coverage; or
  - b. The Limit of Insurance applicable to the Covered Property shown in the Declarations.In no event will we pay the sum of the Limits applicable to each of the coverages (i.e., the sum of the Flood and/or Mudslide Limited Additional Coverage Limit plus the Limits for Ordinance or Law resulting from Flood and/or Mudslide).
4. If there is other insurance covering the loss, other than that described in **I.1.**, **I.2.** or **I.3.** above, we will pay our share of the loss. Our share is the proportion that the available Limit of Insurance under this Flood and/or Mudslide Limited Additional Coverage bears to the total of the applicable Limits of Insurance under all other such insurance. But we will not pay more than the applicable Limit of Insurance stated in the Declarations for Covered Property as our proportion of the loss for any single occurrence.

## **J. Business Income And Extra Expense Period Of Restoration**

This Section **J.** is applicable only to the Coverage Forms specified below:

1. Business Income (And Extra Expense) Coverage Form;
2. Business Income (Without Extra Expense) Coverage Form; and
3. Extra Expense Coverage Form.

The "period of restoration" definition stated in the above Coverage Form, or in any endorsement amending the beginning of the "period of restoration", applies to each occurrence of Flood and/or Mudslide.

## **ORDINANCE OR LAW LIMITED ADDITIONAL COVERAGE**

### **I. APPLICATION OF COVERAGE(S)**

This Ordinance or Law Limited Additional Coverage applies only if both **I.(1)** and **I.(2)** are satisfied, and is then subject to the qualifications set forth in **I.(3)**.

- (1) The ordinance or law;
  - (a) Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and
  - (b) Is in force at the described premises at the time of loss.

But this Ordinance or Law Limited Additional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this Ordinance or Law Limited Additional Coverage.

- (2)
  - (a) A building that is described in the Declarations sustains direct physical damage that is covered under this policy and such damage results in the enforcement of the ordinance or law; or
  - (b) A building that is described in the Declarations sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.
  - (c) But if a building that is described in the Declarations sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this Ordinance or Law Limited Additional Coverage even if the building has also sustained covered direct physical damage.

- (3) In the situation described in **(2)(b)** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B**, and/or **C** of this Ordinance or Law Limited Additional Coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage. (See **Example of Proportionate Loss Payment for Ordinance Or Law Coverage Losses** below.)

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages **A**, **B** and/or **C** of this Ordinance or Law Limited Additional Coverage.

**Example of Proportionate Loss Payment for Ordinance Or Law Limited Additional Coverage Losses** (procedure as set forth in Section **I.(3)** of this endorsement.)

**Assume:**

- Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
- The building has a value of \$200,000
- Total direct physical damage to building: \$100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value
- Portion of direct physical damage that is covered (caused by wind): \$30,000
- Portion of direct physical damage that is not covered (caused by flood): \$70,000
- Loss under Ordinance Or Law Limited Additional Coverage, Coverage **C** of this endorsement: \$60,000

Step 1:

Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$\$30,000 \div \$100,000 = .30$

**Step 2:**

Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for the Coverage C loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

**Note:** The same procedure applies to losses under Coverages A and B of this endorsement.

## II. COVERAGE

### **Coverage A – Coverage for Loss to the Undamaged Portion of the Building**

With respect to the building that has sustained covered direct physical damage, we will pay under **Coverage A** for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

**Coverage A** is included within the Limit of Insurance shown in the Declarations as applicable to the Covered Building. **Coverage A** does not increase the Limit of Insurance.

### **Coverage B – Demolition Cost Coverage**

With respect to the building described in the Declarations that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such undamaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

### **Coverage C – Increased Cost Of Construction Coverage**

(1) With respect to the building described in the Declarations that has sustained covered direct physical damage, we will pay the increased cost to:

- (a) Repair or reconstruct damaged portions of that building; and/or;
- (b) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (i) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (ii) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost Of Construction Coverage.

(2) When a building is damaged or destroyed and **Coverage C** applies to that building in accordance with paragraph (1) of **Coverage C** – Increased Cost of Construction, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in (1):

- (a) The cost of excavations, grading, backfilling and filling;
- (b) Foundation of the building;
- (c) Pilings; and
- (d) Underground pipes, flues and drains.

The items listed in (2)(a) through (2)(d) above are deleted from Property Not Covered, but only with respect to the coverage described in **Coverage C** – Increased Cost Of Construction, paragraph (2).

## III. LOSS PAYMENT

(1) The following **Loss Payment** provisions III.(2) and III.(3) are subject to the apportionment

procedures set forth in section **I.(3) of Application of Coverage(s)**.

**(2) Coverage A.**

When there is a loss in value of an undamaged portion of a building to which **Coverage A** applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:

- (a) If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
  - (i) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
  - (ii) The Limit of Insurance shown in the Declarations as applicable to the covered building.
- (b) If the Replacement Cost Coverage Option applies and the property is not repaired or replaced, or if the Replacement Cost Coverage Option does not apply, we will not pay more than the lesser of:
  - (i) The actual cash value of the building at the time of loss; or
  - (ii) The Limit of Insurance shown in the Declarations as applicable to the covered building.

**(3) Coverages B and C**

The most we will pay for the sum of all direct physical loss to Building(s) and any loss of business income with or without Extra Expense) under Coverages **B** and **C** is the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This limit does not apply separately to **Coverage B** and **Coverage C**. This is a Combined Blanket Limit and applies no matter how many locations, buildings or premises sustain loss.

Subject to this Combined Blanket limit, the following loss payment provisions apply:

- (a) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
- (b) With respect to the Increased Cost of Construction:
  - i. 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.
  - ii. 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 is the increased cost of construction at the same premises.
  - iii. If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

The amount payable under **Coverage(s) B** and **C** Combined Blanket Limit is additional insurance.

**IV. ADDITIONAL COVERAGES AND COVERAGE EXTENSIONS**

The following applies to all Additional Coverages and Coverage Extensions provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT or by the Causes of Loss – Special Form or by the Building and Personal Property Coverage Form or the Condominium Association Coverage Form:

Amounts payable under Additional Coverages, Coverage Extensions (except provided by separate endorsements specifically providing additional Ordinance or Law Coverage limits) do not increase the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT for Ordinance or Law Limited Additional Coverage. However:

- 1. If the loss or damage to Covered Buildings is covered under this Ordinance or Law Limited Additional Coverage and also covered under the Ordinance or Law Coverage Endorsement



Form CP 04 05, the latter coverage is excess over the applicable Limit of Insurance provided by the Ordinance or Law Limited Additional Coverage.

2. If the loss or damage to Covered Buildings is covered under this Ordinance or Law Limited Additional Coverage and is also covered under the Blanket Ordinance Or Law Coverage Endorsement Form ORD01, the most we will pay for the total of all loss or damage is the combined Limits of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT and the Limit of Insurance shown in the Schedule of the Blanket Ordinance Or Law Coverage Endorsement Form ORD01.

3. **Business Income, Extra Expense and Actual Loss Sustained**

The Actual Loss Sustained Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT does not apply to the Ordinance or Law Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

With respect to Business Income and Extra Expense Coverage:

- (a) If your policy includes either the Business Income (and Extra Expense) Coverage Form or the Business Income (Without Extra Expense) Coverage Form, your coverage is extended to include business income loss resulting from loss or damage otherwise payable under this Ordinance or Law Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT (except as regards Actual Loss Sustained coverage); and
- (b) Any amount payable for business income (including any amounts payable for Extra Expense) is included in and is not in addition to the Limit of Insurance described in paragraph (3) of III. Loss Payment of this Ordinance or Law Limited Additional Coverage provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

## V. EXCLUSIONS

In addition to the exclusions in your Commercial Property Coverage Part, the following exclusions apply to this Ordinance or Law Limited Additional Coverage:

1. **Failure to Comply Prior to Loss**

Under this Ordinance or Law Limited Additional Coverage, we will not pay for loss due to any ordinance or law that:

- (a) You were required to comply with before the loss, even if the building was undamaged; and
- (b) You failed to comply with.

2. **Pollution**

We will not pay under Coverage A, B and/or C of this Additional Coverage 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
- (b) Any costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants."

3. **"Fungus," Wet or Dry Rot, or Bacteria**

As respects this Ordinance or Law Additional Coverage, the exclusion titled "Fungus", Wet Rot, Dry Rot and Bacteria and the Additional Coverage – Limited Coverage for "Fungus", Wet Rot, Dry Rot and Bacteria in the Causes of Loss – Special Form are deleted. The following exclusion is added:

- (a) Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to the presence, growth, proliferation, spread or any activity of "fungus", wet rot or dry rot or bacteria; or
- (b) The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "fungus", wet rot or dry rot or bacteria.

4. **B. Exclusions, 1.a. Ordinance or Law of the Causes of Loss – Special Form does not apply to this**

Additional Coverage.

#### **ADDITIONAL COVERAGE – OFF-PREMISES SERVICES INTERRUPTION LIMITED ADDITIONAL COVERAGE**

(1) For the premises described in the Declarations, we will pay for direct physical loss of or damage to Covered Property described in the Declarations and for loss of Business Income or Extra Expense, caused by an Off-Premises Services Interruption to those premises. The coverage for Off-Premises Services Interruption applies only when an Off-Premises Services Interruption occurs during the policy period and only if all reasonable means were used to save and preserve the Covered Property from further damage at the time of and after the occurrence. The Limit of Coverage for the Additional Coverage – Off-Premises Services Interruption Limited Additional Coverage is shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. The Off-Premises Service Interruption must result from direct physical loss or damage by a Covered Cause of Loss to property not on the described premises that provided the following services:

- (a) **Water Supply Services**, meaning the following types of property supplying water to the premises described in the Declarations:
  - i. Pumping stations;
  - ii. Water mains.
- (b) **Communications Supply Service** means property supplying communication services including telephone, radio, microwave or television services to the premises described in the Declarations such as:
  - i. Communication transmission lines;
  - ii. Coaxial cables;
  - iii. Microwave radio relays except satellites.

**Communication Supply Service** does not include overhead transmission lines or overhead distribution lines.
- (c) **Power Supply Service** means the following types of property supplying electricity, steam or gas to the premises described in the Declarations:
  - i. Utility generating plants;
  - ii. Switching stations;
  - iii. Substations;
  - iv. Transformers and
  - v. Transmission lines or distribution lines

**Power Supply Service** does not include overhead transmission lines or overhead distribution lines.

(2) **Deductibles:**

For Business Income and Extra Expense, we will only pay for the loss you sustain after the first **72** hours following the direct physical loss or damage to the off premises property to which this Additional Coverage applies. For Direct Damage losses, a **\$1,000** per occurrence deductible applies.

(3) **Annual Aggregate Limit of Insurance**

Subject to the Limit of Insurance shown in the Declarations for any single Building or Business Personal Property insured under this policy and paragraph (4) immediately below, the most we will pay for the sum of **all** direct and indirect loss or damage (i.e., the total of all direct physical loss of or damage to Covered Property, plus all loss payable under Business Income and Extra Expense) under this Off Premises Services Interruption Limited Additional Coverage is the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. This is an Annual Aggregate Limit of Insurance and applies no matter how many losses occur or claims are made or how many buildings, premises or locations are covered by this policy.

**Definition:** The term Annual Aggregate Limit of Insurance means this amount is the **most** we will pay



for the total of **all** loss or damage to covered Building and Business Personal Property, including loss of income payable under the Business Income with or without Extra Expense Coverage Form(s), from **all** Off Premises Services Interruption(s) (as described in Paragraph **(1)** above), occurring during a **12**-month policy period (starting with the beginning of the present annual policy period), even if there is more than one occurrence of Off Premises Services Interruption during that period of time.

**How the Annual Aggregate Applies:** If there is more than one Off Premises Services Interruption occurrence in a **12**-month policy period, the most we will pay for the total of all loss or damage sustained during that period of time is the amount shown as the Annual Aggregate Limit of Insurance for Off Premises Services Interruption Limited Additional Coverage in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT. Should the first Off Premises Services Interruption not exhaust the Annual Aggregate Limit of Insurance, then the balance of that Limit is available for any subsequent Off Premises Services Interruptions that occur during the **12** month policy period.

With respect to the Annual Aggregate Limit, we will not pay more than the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, even if the Off Premises Services Interruption continues to be present or active, or recurs, in a later policy period.

**(4) Loss Payment for Buildings and Personal Property Will Not Exceed Insured Limit**

The coverage provided under this Off Premises Services Interruption Limited Additional Coverage does not increase the applicable Limit of Insurance shown in the Declarations on any Covered Property. Under this Off Premises Services Interruption Limited Additional Coverage, we will never pay more for any direct damage loss in any single occurrence than the Limit of Insurance shown in the Declarations for Covered Property.

(5) To the extent that a part of the Utility Services Exclusion(s) might conflict with coverage provided under this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, part **B.1.e.** Utility Exclusion of the Causes of Loss-Special Form does not apply.

(6) If a loss is covered both under this Off Premises Services Interruption Limited Additional Coverage and by a separate endorsement providing Off Premises or Utility Services coverage (specific insurance) attached to this policy, the limits of this Off Premises Services Interruption Limited Additional Coverage Extension will be excess of that separate Utility Services or Off Premises Services Endorsement, and only the deductible applicable to that separate Utility Services or Off Premises Endorsement will apply to the loss.

(7) Exclusions **B.1.e.** and **B.4.a. (1)** of the Cause of Loss – Special Form do not apply to this Limited Additional Coverage.

(8) This Limited Additional Coverage is additional insurance. The Additional Condition, Coinsurance, does not apply to this extension.

(9) If:

(a) The Equipment Breakdown Enhancement Endorsement, **GNYCP 03**, is attached to your policy, this Limited Additional Coverage – Off-Premises Services Interruption is superseded by, and is not in addition to, the coverage provided by the Equipment Breakdown Enhancement Endorsement, but only if a covered “Equipment Breakdown,” as defined in the Equipment Breakdown Enhancement Endorsement, **GNYCP 03**, occurs;

(b) The Additional Coverage - Spoilage Limited Additional Coverage is provided elsewhere in the policy, the Limit of Coverage for Business Income or Extra Expense under this Additional Coverage – Off-Premises Services Interruption Limited Additional Coverage, is superseded

by, and is not in addition to, that coverage.

**SEWER AND DRAIN BACK-UP AND OVERFLOW AND SUMP OVERFLOW - LIMITED ADDITIONAL  
COVERAGE**

**THIS SEWER AND DRAIN BACK-UP AND OVERFLOW AND SUMP OVERFLOW - LIMITED ADDITIONAL  
COVERAGE IS *NOT* FLOOD INSURANCE**

The term Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage means coverage afforded by this section of the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT solely for loss or damage to covered Buildings and to covered Business Personal Property caused by a covered back up of sewers or drains or by the overflow of sumps at your premises described in the Schedule of Designated Premises.

Subject to the following provisions, Sewer and Drain Back-Up and Overflow and Sump Overflow is added as a Limited Additional Coverage.

1. This additional coverage applies to direct physical loss or damage to covered property caused by:

- (a) Sewer or Drain Back-Up or Overflow; and
  - (b) Sump Overflow,
- at your premises described in the Schedule of Designated Premises.

We will pay for loss or damage to covered Buildings and Business Personal Property caused by or resulting from Sewer or Drain Back-Up or Overflow and by Sump Overflow as defined in Paragraph 8 below. This Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage is within, not in addition to, the limits of insurance provided by this policy. Under this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage, except as provided elsewhere in this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage, the most we will pay for all loss or damage arising from one occurrence or event is set forth in the Table of Coverages.

2. The Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage will also apply to the cost to tear out and replace any part of, and remove debris from, the Building as needed to repair the Building.

3. The Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage extends to the following coverages, provided that you purchased the coverage from us:

- a. Ordinance or Law;
- b. Business Income (and Extra Expense) Coverage Form; or
- c. Business Income (Without Extra Expense) Coverage Form.

4. The Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage does not extend to loss or damage under the following coverages, even if you purchased these coverages from us, regardless of any other cause or event that contributes concurrently or in any sequence to the loss:

- a. Pollutant Clean Up and Removal Coverage;
- b. Newly Acquired or Constructed Property Coverage;
- c. Business Income From Dependent Properties;

- d. Additional Coverage – Collapse;
- e. Public Water Supply Systems – Limited Additional Coverage;
- f. The Business Personal Property at Unspecified Locations Coverage;
- g. Flood Coverage Endorsement; Flood Coverage Schedule and Changes; the Flood and/or Mudslide Coverage;
- h. Additional Coverage – Limited Additional Coverage for “Fungus,” Wet Rot, or Dry Rot.

## 5. Exclusions and Limitations

All Exclusions, Limitations, Terms, and Conditions of the Causes of Loss – Special Form, the Building and Personal Property Coverage Form, and the Condominium Association Coverage Form, whichever you have purchased, apply to this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage, except that “**B. Exclusions**” “**1.g.**,” “Water,” in the Cause of Loss - Special Form, does not apply to this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage.

However, except as specifically provided in this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage, we will not pay under this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage for loss or damage caused 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:

### 1. Water.

- (a) 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);
- (b) Mudslide or mudflow;
- (c) Water damage occurring within a building that originates from a backup or overflow of water from that part of sewer line or sump line outside the building;
- (d) Underground water;
- (e) Waterborne material carried or otherwise moved by any of the water referred to in Exclusion 1. (a), (b), (c), or (d), or material carried or otherwise moved by mudslide or mudflow, except to the extent:
  - (1) that waterborne material is carried or otherwise moved by water discharge from Sewer or Drain Back-Up or Overflow or from the Overflow of a Sump; or
  - (2) that a water discharge from Sewer or Drain Back-Up or Overflow or from the Overflow of a Sump causes or contributes to causing the carriage or other movement of waterborne material.

Exclusion 1 (a) through (e) applies regardless of the proximity of the water (including flood) to covered property, and regardless of whether any of the excluded occurrences or events 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 Exclusion 1 (a) through (e), 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).

2. "Fungus," Wet Rot, or Dry Rot

"Fungus," Wet Rot, or Dry Rot, as such terms are defined in the Causes of Loss – Special Form. However, this exclusion does not apply when "fungus," wet rot, or dry rot results from a Sewer Back-Up, from the Overflow of a Sump, or from both.

6. Sewer and Drain Back-Up and Overflow and Sump Overflow is not a "specified cause of loss" as the term "specified cause of loss" is defined in the Causes of Loss – Special Form. The full extent of the coverage that you have purchased from us for loss or damage under this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage for direct loss or damage caused by Sewer and Drain Back-Up and Overflow, Sump Overflow, or both, as expressed in this Endorsement.

7. a. If an occurrence or event within the Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage results in a specified cause of loss as defined in the Causes of Loss – Special Form, then the applicable limit is increased to the limit specified in the Property Declarations for the loss or damage. Otherwise, the applicable limit of coverage is the amount set out in the Table of Coverages. However, the co-insurance condition will not apply to the loss or damage.

b. The Deductible amount for this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage is **\$5,000**. The deductible amount applies separately to each occurrence or event. However, if, under subparagraph a., the limit of coverage available for the loss or damage is stated in the Property Declarations, then only the Deductible amount applicable to that limit will apply.

8. Definitions:

As used in this Sewer and Drain Back-Up and Overflow and Sump Overflow - Limited Additional Coverage, the following terms have the following meanings:

(a) "Sewer and Drain Back-Up or Overflow" means water that backs up or overflows from a sewer or drain at your premises described in the Schedule of Designated Premises.

(b) "Sump Overflow" means water that overflows from a sump at your premises described in the Schedule of Designated Premises.

**AMENDMENTS TO F. ADDITIONAL COVERAGE EXTENSIONS**

**PROPERTY IN TRANSIT**

The following replaces Paragraph **c.** of Property in Transit:

The most we will pay for loss or damage under this Enhancement is the amount shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT.

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

The following is added to the Additional Coverage Section of your Causes of Loss – Special Form:

**INTERIOR AND UNDERGROUND WATER DAMAGE - LIMITED ADDITIONAL COVERAGE**

**THIS INTERIOR AND UNDERGROUND WATER DAMAGE - LIMITED ADDITIONAL COVERAGE IS NOT FLOOD INSURANCE**

Subject to the following provisions, Interior Water Damage and Underground Water Damage – Limited Additional

Coverage is added as a Limited Additional Coverage.

We will pay for Interior Water Damage, Underground Water Damage OR both, to covered Buildings and Business Personal Property caused by or resulting from the occurrence or event described in Paragraph 1 or 2 below. This Interior and Underground Water Damage – Limited Additional Coverage is within, not in addition to, the limits of insurance provided by this policy.

1. The term Interior Water Damage – Limited Additional Coverage means coverage afforded by this section of this coverage form, solely for loss or damage to covered Buildings and to covered Business Personal Property inside the building caused by or resulting from:
  - (1) water from rain, snow, sleet, or ice entering into the building through its roof, walls, closed doors, or closed windows; or
  - (2) the thawing of snow, sleet, or ice on the building.
  
2. The term Underground Water Damage – Limited Additional Coverage means coverage afforded by this section of this coverage form for direct physical loss or damage to covered property caused by:
  - (1) water that has been accidentally discharged or leaked from fire hydrants or public underground water supply mains; or
  - (2) water that has been accidentally discharged or leaked from any other plumbing system or device; or
  - (3) water under the surface of the ground:  
that presses on, flows, or seeps through:
    - (a) foundations, walls, floors, or paved surfaces;
    - (b) basements, whether paved or not; or
    - (c) doors, windows, or other openings.
  
3. This Interior and Underground Water Damage – Limited Additional Coverage is within, not in addition to, the limits of insurance provided by this policy. Under this Interior and Underground Water Damage – Limited Additional Coverage, except as provided elsewhere in this Interior and Underground Water Damage – Limited Additional Coverage, the most we will pay for all loss or damage arising from one occurrence or event is set forth in the Table of Coverages.
  
4. The Interior and Underground Water Damage – Limited Additional Coverage will also apply to the cost to tear out and replace any part of, and remove debris from, the Building as needed to repair the Building.
  
5. The Interior and Underground Water Damage – Limited Additional Coverage extends to the following coverages, provided that you purchased the coverage from us:
  - a. Ordinance or Law;
  - b. Business Income (and Extra Expense) Coverage Form;
  - c. Business Income (Without Extra Expense) Coverage Form;However, except to the extent that paragraph 10 a. applies, the limit of coverage for all loss or damage is as expressed in paragraph 3 and in the Table of Coverages, and any higher or additional limits of coverage provided for these coverages do not apply.
  
6. The Interior and Underground Water Damage – Limited Additional Coverage does not extend to loss or damage under the following coverages, even if you purchased these coverages from us, regardless of any other cause or event that contributes concurrently or in any sequence to the loss:
  - a. Pollutant Clean Up and Removal Coverage
  - b. Newly Acquired or Constructed Property Coverage
  - c. Business Income From Dependent Properties
  - d. Additional Coverage - Collapse

- e. Public Water Supply Systems – Additional Limited Coverage
- f. The Business Personal Property at Unspecified Locations Coverage
- g. Flood Coverage Endorsement; Flood Coverage Schedule and Changes; Flood and/or Mudslide Coverage.
- h. Additional Coverage – Limited Additional Coverage for “Fungus,” Wet Rot, Dry Rot, and Bacteria.

7. Under this coverage we will not pay for:

- (a) Loss or damage caused by leaks or discharge from lawn sprinkler systems.
- (b) Loss or damage to the system from which water escapes.

8. Exclusions and Limitations:

All Exclusions, Limitations, Terms, and Conditions of the Causes of Loss – Special Form, the Building and Personal Property Coverage Form, and the Condominium Association Coverage Form, whichever you have purchased, apply to this Interior and Underground Water Damage – Limited Additional Coverage, except that B. Exclusions 1. g. Water of the Causes of Loss – Special Form does not apply to this Interior and Underground Water Damage – Limited Additional Coverage.

However, except as specifically provided in this Interior and Underground Water Damage – Limited Additional Coverage, we will not pay under this Interior and Underground Water Damage – Limited Additional Coverage for loss or damage caused 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.

1. Water.

- (a) 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);
- (b) Mudslide or mudflow;
- (c) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump, or related equipment;
- (c) Waterborne material carried or otherwise moved by any of the water referred to in Exclusion 1. (a), or (c), or material carried or otherwise moved by mudslide or mudflow, except to the extent:
  - (1) that waterborne material carried or otherwise moved by any of the water referred to in Exclusion 1. (a) causes or contributes to causing Interior and Underground Water Damage; or
  - (2) that Interior and Underground Water Damage causes or contributes to causing the carriage or other movement of waterborne material.

But if any of the above, in Exclusion 1 (a) through (d), 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).

2. Sump overflow. Sump overflow that does not occur concurrently with the Interior and Underground Water Damage.

3. “Fungus,” Wet Rot, Dry Rot, and Bacteria, as such terms are defined in the Causes of Loss – Special Form. However, this exclusion does not apply when “fungus,” wet rot, dry rot, or bacteria results from Interior and Underground Water Damage.

Exclusions 1 (a)-(d) and 2 apply regardless of the proximity of the water (including flood) to covered property, and regardless of whether any of the excluded occurrences or events 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.

9. Interior and Underground Water Damage is not a “specified cause of loss” as the term “specified cause of loss” is defined in the Causes of Loss – Special Form. The full extent of the coverage that you have purchased from us for loss or damage caused by water discharge from Interior and Underground Water Damage – Limited Additional Coverage is expressed in this Section.

10. Sole and Multiple Causes; Application of Limits and Co-Insurance; Deductibles

- a. If water discharge from the occurrence or event described in paragraph 1 or 2 results in a "specified cause of loss" as defined in the Causes of Loss – Special Form, then the applicable limit is increased to the limit specified in the Property Declarations for the loss or damage. However, the co-insurance condition will not apply to the loss or damage.
- b. The Deductible amount for this Interior and Underground Water Damage – Limited Additional Coverage is **\$10,000**. The deductible amount applies separately to each occurrence or event. However, if, under subparagraph a. the limit of coverage available for the loss or damage is stated in the Property Declarations, then only the Deductible amount applicable to that limit will apply.

## AMENDMENTS TO THE BUSINESS INCOME COVERAGE FORMS

The following changes are made to the Business Income (Without Extra Expense) Coverage Form and the Business Income (And Extra Expense) Coverage Form if one of these coverage forms is included in your policy:

### AMENDMENTS TO A. COVERAGE

#### PROPERTY DISTANCE EXTENSION

The property distance limitations in **A.** Coverage are increased from 100 feet to **1,000** feet. Payments under this Additional Coverage will not increase the applicable limit of insurance.

### AMENDMENTS TO ADDITIONAL COVERAGES

1. The following is added as the final paragraph of forms Business Income (And Extra Expense) **A.5.c.** and Business Income (Without Extra Expense) **A.4.d.**:

#### EXTENDED BUSINESS INCOME TIME PERIOD

- (3)** Additional days for "Business Income" and "Rental Value"

Under the PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, we will add **60** days to the number of days otherwise provided by this policy for Extended Business Income under **(1)(b)(ii)** and/or **(2)(b)(ii)**.

2. The following Additional Coverage is added to forms Business Income (And Extra Expense) **A.5.** and Business Income (Without Extra Expense) **A.4.**:

#### ORDINANCE OR LAW - INCREASED PERIOD OF RESTORATION ADDITIONAL COVERAGE

- A.** If a Covered Cause of Loss occurs to property at the premises described in the Declarations, coverage is extended to include the amount of actual and necessary loss you sustain during the "period of restoration" resulting from a "suspension" of your "operations" caused by or resulting from the enforcement of any ordinance or law that:

1. Regulates the construction or repair of any property;
2. Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and
3. Is in force at the time of loss.

However, coverage is not extended to include loss caused by or resulting from the enforcement of any ordinance or law which requires:

- a. The demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants;" or
- b. 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."

Exclusion **B.2.d.(2)** of the Causes of Loss Special Form continues to apply.

- B.** For this Increased Period of Restoration Additional Coverage, the Period of Restoration definition is replaced by the following:

"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, or
  - (3) One year after the date of direct physical loss or damage, unless this time period is modified by changes to the Actual Loss Sustained Coverage Extension selected in a PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy. If a different time period (such as 24 or 36 months) is indicated for the Actual Loss Sustained Coverage Extension in a PROTECTO-GUARD CHANGES ENDORSEMENT, then the "period of restoration" for this **ORDINANCE OR LAW - INCREASED PERIOD OF RESTORATION ADDITIONAL COVERAGE** is changed to correspond with the number of months provided in the Actual Loss Sustained Coverage Extension.
- The expiration date of this policy will not cut short the "period of restoration".
- C. The Ordinance or Law Exclusion does not apply to losses otherwise covered by this Increased Period of Restoration Coverage.

#### **ADDITIONS TO COVERAGE EXTENSION**

The following Coverage Extensions are added to forms Business Income (And Extra Expense ) **A.6.** and Business Income (Without Extra Expense) **A.5.:**

##### **BUSINESS INCOME - DEPENDENT PROPERTIES**

- (1) We will pay up to the Limit of Insurance shown in the Table of Coverages of this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT 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 or damage to "dependent property" caused by or resulting from a Covered Cause of Loss. We will not pay more than **3%** of this limit for each day's "suspension" of "operations" due to loss arising from any one location.
- (2) For Coverage provided under this Business Income - Dependent Properties Coverage Extension, the following replaces the Resumption of Operations provision in the Loss Determination Loss Condition: We will reduce the amount of your Business Income Loss, other than Extra Expense, to the extent you resume operations, in whole or in part, by using any other available:
  - (a) Source of materials; or
  - (b) Outlet of your products.

We will reduce your Extra Expense loss to the extent that you can return "operations" to normal and discontinue such Extra Expense.
- (3) Definitions:
  1. The following definition is added:
 

"Dependent Property" means property operated by others whom you depend on to:

    - a. Deliver materials or services to you or to others for your account (Contributing Locations.) With respect to Contributing Locations, Services does not mean water, communication or power supply services;
    - b. Accept your products or services (Recipient Locations);
    - c. Manufacture products for delivery to your customers under contract of sale (Manufacturing Locations); or
    - d. Attract customers to your business (Leader Locations).
  2. The "Period of Restoration" Definition, only with respect to "dependent property," is replaced by the following:
 

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

    - a. Begins **72** hours after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and



- b. Ends on the earlier of the following:
    - (i) The date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality, or
    - (ii) One year after the date of the direct physical loss or damage.
- "Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:
- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
  - (b) 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," or
  - (c) 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 "fungus," wet or dry rot, or bacteria. This exclusion of "fungus," wet or dry rot, or bacteria does not apply when "fungus", wet rot or dry rot results from a Covered Cause of Loss. Exclusion **B.2.d.(2)** of the Causes of Loss Special Form continues to apply.

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

**ACTUAL LOSS SUSTAINED COVERAGE EXTENSION:**

**1. LIMITS OF INSURANCE - ACTUAL LOSS SUSTAINED**

Only as respects the coverage provided by this Actual Loss Sustained Coverage Extension, the following replaces Section **B. Limits of Insurance**:

**ACTUAL LOSS SUSTAINED BASIS OF COVERAGE**

Under this Actual Loss Sustained Coverage Extension, we will pay for loss of **Business Income** and/or **Extra Expense** on an Actual Loss Sustained basis. This means that the most we will pay for any one occurrence is the actual loss of Business Income and/or the actual Extra Expense that you sustain during the "period of restoration" and that occurs within **12** consecutive months after the date of direct physical loss or damage. This **12**-month limit replaces the limit of Insurance shown in the Declarations for Business Income or Business Income and Extra Expense, and applies unless this **12**-month time period is modified by a

PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy which provides a different period of coverage.

All references to *Limit of Insurance shown in the Declarations* in the Business Income and Extra Expense Coverage Form or the Business Income Without Extra Expense Coverage Form do not apply.

**2. OPTIONAL PERIOD(S) OF COVERAGE - LIMITS OF INSURANCE - ACTUAL LOSS SUSTAINED**

- A. If an Optional **24** month Period of Coverage is indicated (by a  in the appropriate box) in the PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy, the following replaces section **B. Limits of Insurance**, but only as respects the coverage provided by this Actual Loss Sustained Coverage Extension:

**ACTUAL LOSS SUSTAINED BASIS OF COVERAGE**

Under this Actual Loss Sustained Coverage Extension, we will pay for loss of **Business Income** and/or **Extra Expense** on an Actual Loss Sustained basis. This means that the most we will pay for any one occurrence is the actual loss of Business Income and/or the actual Extra Expense that you sustain during the "period of restoration" and that occurs within **24** consecutive months after the date of direct physical loss or damage. This **24**-month limit replaces the limit of Insurance shown in the Declarations for Business Income or Business Income and Extra Expense.

All references to *Limit of Insurance shown in the Declarations* in the Business Income and Extra Expense Coverage Form or the Business Income Without Extra Expense Coverage Form do not apply.

- B. If an Optional **36** month Period of Coverage is indicated (by a  in the appropriate box) in the PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy, the following replaces

Section **B**. Limits of Insurance, but only as respects the coverage provided by this Actual Loss Sustained Coverage Extension:

**ACTUAL LOSS SUSTAINED BASIS OF COVERAGE**

Under this Actual Loss Sustained Coverage Extension, we will pay for loss of **Business Income** and/or **Extra Expense** on an Actual Loss Sustained basis. This means that the most we will pay for any one occurrence is the actual loss of Business Income and/or the actual Extra Expense that you sustain during the "period of restoration" and that occurs within **36** consecutive months after the date of direct physical loss or damage. This **36**-month limit replaces the limit of Insurance shown in the Declarations for Business Income or Business Income and Extra Expense.

All references to *Limit of Insurance shown in the Declarations* in the Business Income and Extra Expense Coverage Form or the Business Income Without Extra Expense Coverage Form do not apply.

**3. ADDITIONAL COVERAGE - ALTERATIONS AND NEW BUILDINGS - OPTIONAL PERIOD(S) OF COVERAGE**

As respects the Actual Loss Sustained Coverage as it relates to forms Business Income (And Extra Expense) **A.5.b.** and **Business Income (Without Extra Expense) A.4.c.** **ADDITIONAL COVERAGE - ALTERATIONS AND NEW BUILDINGS**, the following is added as the last paragraph:

The most we will pay for any one occurrence is the actual loss of Business Income and/or Extra Expense that you sustain during the "period of restoration" that occurs within **12** consecutive months after the date of direct physical loss or damage, unless a PROTECTO-GUARD CHANGES ENDORSEMENT modifies this period of coverage.

**A. OPTIONAL PERIOD OF COVERAGE – ACTUAL LOSS SUSTAINED – 24 Months:**

If an Optional **24** month Period of Coverage is indicated (by a  in the appropriate box) in the PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy, the following is added in place of the paragraph added above, but only as respects the coverage provided by this Actual Loss Sustained Coverage Extension:

The most we will pay for any one occurrence is the actual loss of Business Income and/or Extra Expense that you sustain during the "period of restoration" that occurs within **24** consecutive months after the date of direct physical loss or damage.

**B. OPTIONAL PERIOD OF COVERAGE – ACTUAL LOSS SUSTAINED – 36 Months:**

If an Optional **36** month Period of Coverage is indicated (by a  in the appropriate box) in the PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy, the following is added in place of the paragraph added above, but only as respects the coverage provided by this Actual Loss Sustained Coverage Extension:

The most we will pay for any one occurrence is the actual loss of Business Income and/or Extra Expense that you sustain during the "period of restoration" that occurs within **36** consecutive months after the date of direct physical loss or damage.

**4. Only as respects the Actual Loss Sustained Coverage Extension provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT the following are DELETIONS FROM COVERAGE EXTENSION:**

The following wording is deleted from section **A.6. Coverage Extension** of the Business Income (and Extra Expense) Coverage Form and **A.5. Coverage Extension** of the Business Income (without Extra Expense) Coverage Form:

*"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**

The following wording is deleted from section **A.6. Coverage Extension** of the Business Income (and Extra Expense) Coverage Form and **A.5. Coverage Extension** of the Business Income (without Extra Expense) Coverage Form:

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

**ADDITIONAL CONDITION AND OPTIONAL COVERAGES**

D. Additional Condition and E. Optional Coverages are deleted in their entirety.

5. Only as respects the Actual Loss Sustained Coverage Extension provided by this PROTECTO-GUARD ENHANCED PROPERTY COVERAGE ENDORSEMENT, the following is added:

**DEFINITION**

“**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, or
- (3) 12 months after the date of direct physical loss or damage, unless this time period is modified by a PROTECTO-GUARD CHANGES ENDORSEMENT attached to your policy which provides a different period of coverage. If a PROTECTO-GUARD CHANGES ENDORSEMENT is attached to your policy, then the reference to **12** months is modified to the option (either **24** or **36** months option) indicated in the PROTECTO-GUARD CHANGES ENDORSEMENT.

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

- (i) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (ii) 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,” or
- (iii) 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 “fungus,” wet or dry rot, or bacteria. This exclusion of “fungus,” wet or dry rot, or bacteria does not apply when “fungus”, wet rot, dry rot or bacteria results from a Covered Cause of Loss. Exclusion **B.2.d.(2)** of the Causes of Loss Special Form continues to apply.

POLICY # 6119M36270

POLICY PERIOD: 07/01/2022 - 07/01/2023

**GREATER NEW YORK INSURANCE COMPANIES**  
**ADDITIONAL LIMITS ENDORSEMENT**  
**PROTECTO-GUARD PROGRAM**

This endorsement modifies insurance provided under the following:

**PROTECTO-GUARD PROPERTY ENHANCED COVERAGE ENDORSEMENT**

In addition to the Limits provided by the PROTECTO-GUARD PROPERTY ENHANCED COVERAGE ENDORSEMENT, we will pay the Additional Limit as shown in the Table below, up to the Total Limit of Insurance:

| COVERAGE   | ADDITIONAL LIMITS   | TOTAL LIMIT OF INSURANCE  |
|--|---|---|
| <b>PROPERTY COVERAGES</b>  |   |   |
| Business Income – Dependent Properties   | \$25,000  | \$50,000  |
| Business Income – Extended Business Income                                     | 90 Days   | 210 Days  |
| “Computer Fraud”   | \$25,000  | \$50,000  |
| Computer Coverage: Hardware  | \$500,000   | \$1,000,000   |
| Debris Removal Additional Amount of Insurance                                  | \$750,000   | \$1,000,000   |
| Earthquake and Volcanic Eruption   | \$4,000,000   | \$5,000,000   |
| Fine Arts  | \$50,000  | \$100,000   |
| Fire Department Service Charges  | \$40,000  | \$50,000  |
| Volunteer Fire Department Service Charges                                      | \$1,000   | \$2,000   |
| Fire Protection Equipment Recharge   | \$90,000  | \$100,000   |
| Flood and/or Mudslide  | \$4,000,000   | \$5,000,000   |
| Lost or Stolen Key Coverage  | \$65,000 Annual Aggregate   | \$75,000 Annual Aggregate   |
| Lost Lease Coverage – Lessors Interest   | \$500,000   | \$750,000   |
| Money and Securities Inside  | \$5,000   | \$10,000  |
| Newly Acquired or Constructed Property – Building                              | \$500,000   | \$1,000,000   |
| Off Premises Services Interruption   | \$500,000 Annual Aggregate  | \$1,000,000 Annual Aggregate  |
| Ordinance or Law Blanket – Demolition Costs and Increased Cost of Construction | \$3,000,000 Annual Aggregate  | \$5,000,000 Annual Aggregate  |
| Outdoor Signs – Not Attached To Buildings                                      | \$15,000  | \$25,000  |
| Outdoor Fences, Trees, Shrubs and Plants                                       | \$3,500 Per Fence, Tree, Shrub, or Plant/\$900,000 Annual Aggregate | \$3,500 Per Fence, Tree, Shrub, or Plant/\$1,000,000 Annual Aggregate |
| Personal Effects and Property of Others  | \$27,500 Per Person/\$65,000 Annual Aggregate                       | \$30,000 Per Person or Entity/\$75,000 Annual Aggregate               |
| Personal Property At Unspecified Locations                                     | \$150,000   | \$250,000   |
| Pollutant Clean up and Removal   | \$150,000 Annual Aggregate  | \$250,000 Annual Aggregate  |
| Property In Transit  | \$250,000   | \$500,000   |
| Tenant Move Back   | \$250,000   | \$500,000   |

All other terms, limitations, exclusions and conditions of the PROTECTO-GUARD PROPERTY ENHANCED COVERAGE ENDORSEMENT remain unchanged.

## CONDOMINIUM ASSOCIATION 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, outside of individual units, 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 that are not contained within individual units;
- (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; and

(6) Any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires you to insure it:

(a) Fixtures, improvements and alterations that are a part of the building or structure; and

(b) Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping.

But Building does not include personal property owned by, used by or in the care, custody or control of a unit-owner except for personal property listed in Paragraph **A.1.a.(6)** above.

**b. Your Business Personal Property** located in or on the building or structure described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following:

- (1) Personal property owned by you or owned indivisibly by all unit-owners;
- (2) Your interest in the labor, materials or services furnished or arranged by you on personal property of others; and
- (3) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

But Your Business Personal Property does not include personal property owned only by a unit-owner.

**c. Personal Property Of Others** that is:

- (1) In your care, custody or control; and
- (2) Located in or on the building or structure 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;
- 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 (other than lawns which are part of a vegetated roof);
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under 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 electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system;
- 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 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; or

q. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops; or
- (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than trees, shrubs or plants which are "stock" or are part of a vegetated roof), 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 (2), (3) and (4), we will pay your expense to remove debris of Covered Property and other debris that is on the described premises, when such debris 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 of direct physical loss or damage.
- (2) Debris Removal does not apply to costs to:
  - (a) Remove debris of property of yours that is not insured under this policy, or property in your possession that is not Covered Property;
  - (b) Remove any property that is Property Not Covered, including property addressed under the Outdoor Property Coverage Extension;
  - (c) Remove property of others of a type that would not be Covered Property under this Coverage Form;
  - (d) Remove deposits of mud or earth from the grounds of the described premises;
  - (e) Extract "pollutants" from land or water; or
  - (f) 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. However, if no Covered Property has sustained direct physical loss or damage, the most we will pay for removal of debris of other property (if such removal is covered under this Additional Coverage) is \$5,000 at each location.
- (4) We will pay up to an additional \$25,000 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) applies, 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 \$25,000.

#### (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:        | \$ 40,000          |
| Debris Removal Expense Payable |                    |
| Basic Amount:                  | \$ 10,500          |
| Additional Amount:             | \$ 25,000          |

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 (\$40,000) exceeds 25% of the loss payable plus the deductible (\$40,000 = 50% of \$80,000), and because the sum of the loss payable and debris removal expense (\$79,500 + \$40,000 = \$119,500) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$25,000, the maximum payable under Paragraph (4). Thus, the total payable for debris removal expense in this example is \$35,500; \$4,500 of the debris removal expense is not covered.

**b. Preservation Of Property**

If it is necessary for you 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) Only if the loss or damage occurs within 30 days after the property is first moved.

**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 for service at each premises described in the Declarations unless a higher limit is shown in the Declarations. Such limit is the most we will pay regardless of the number of responding fire departments or fire units, and regardless of the number or type of services performed.

This Additional Coverage applies to 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 the minimum standards 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 or compliance with 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 or compliance with 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 repair or replacement is 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 or compliance with 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. This Additional Coverage does not apply to electronic data which is integrated in and operates or controls the building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (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 (unless a higher limit is shown in the Declarations) 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 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**

You may extend the insurance that applies to Building 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; or

(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.

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 provided under this Coverage Extension for 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 trees, shrubs or plants which are "stock" or are part of a vegetated roof), 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.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others.

**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.

**g. Business Personal Property Temporarily In Portable Storage Units**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 100 feet of the described premises.
- (2) If the applicable Covered Causes of Loss form or endorsement contains a limitation or exclusion concerning loss or damage from sand, dust, sleet, snow, ice or rain to property in a structure, such limitation or exclusion also applies to property in a portable storage unit.
- (3) Coverage under this Extension:
  - (a) Will end 90 days after the business personal property has been placed in the storage unit;
  - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the business personal property has been stored there for 90 or fewer days as of the time of loss or damage.
- (4) Under this Extension, the most we will pay for the total of all loss or damage to business personal property is \$10,000 (unless a higher limit is indicated in the Declarations for such Extension) regardless of the number of storage units. Such limit is part of, not in addition to, the applicable Limit of Insurance on Your Business Personal Property. Therefore, payment under this Extension will not increase the applicable Limit of Insurance on Your Business Personal Property.
- (5) This Extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form or policy, and does not apply to loss or damage to the storage unit itself.

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

\$ 59,850 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 or compliance with 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 to Covered Property 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.

If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.

- 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. Unit-owner's Insurance

A unit-owner may have other insurance covering the same property as this insurance. This insurance is intended to be primary and not to contribute with such other insurance.

## 7. 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 sublessee and used by the lessee or sublessee 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%.

## 8. 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. and c. 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 or compliance with 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. Glass at the cost of replacement with safety-glazing material if required by law.

## 9. Waiver Of Rights Of Recovery

We waive our rights to recover payment from any unit-owner of the condominium that is shown in the Declarations.

## 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):  $\$250,000 \times 80\% = \$200,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements)

Step (2):  $\$100,000 \div \$200,000 = .50$

Step (3):  $\$40,000 \times .50 = \$20,000$

Step (4):  $\$20,000 - \$250 = \$19,750$

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

**Example 2 (Adequate Insurance)**

When: The value of the property is: \$ 250,000  
 The Coinsurance percentage for it is: 80%  
 The Limit of Insurance for it is: \$ 200,000  
 The Deductible is: \$ 250  
 The amount of loss is: \$ 40,000

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 ( $\$250,000 \times 80\%$ ). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 ( $\$40,000$  amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

**Example 3**

When: The value of the property is:  
 Building at Location 1: \$ 75,000  
 Building at Location 2: \$ 100,000  
 Personal Property at Location 2: \$ 75,000  
 \$ 250,000

The Coinsurance percentage for it is: 90%

The Limit of Insurance for Buildings and Personal Property at Locations 1 and 2 is: \$ 180,000  
 The Deductible is: \$ 1,000  
 The amount of loss is:  
 Building at Location 2: \$ 30,000  
 Personal Property at Location 2: \$ 20,000  
 \$ 50,000

Step (1):  $\$250,000 \times 90\% = \$225,000$   
 (the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  $\$180,000 + \$225,000 = .80$

Step (3):  $\$50,000 \times .80 = \$40,000$

Step (4):  $\$40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

**2. Mortgageholders**

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
  - (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 mortgageholder.

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

- e. If we pay the mortgageholder 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 mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (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 applies 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 Loss Condition, Valuation, of this Coverage Form.

- b. This Optional Coverage does not apply to:

- (1) Personal property of others;
- (2) Contents of a residence; or
- (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac.

Under the terms of this Replacement Cost Optional Coverage, personal property owned indivisibly by all unit-owners, and the property covered under Paragraph **A.1.a.(6)** of this Coverage Form, 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 repair or replacement is made as soon as reasonably possible after the loss or damage.
- 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 or compliance with 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.

## 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.

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

## **EXCLUSION OF LOSS DUE TO VIRUS OR BACTERIA**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

- 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 by or resulting from any virus, bacterium or other micro-organism that induces or is capable of inducing physical distress, illness or disease.  
  
However, this exclusion does not apply to loss or damage caused by or resulting from "fungus", wet rot or dry rot. Such loss or damage is addressed in a separate exclusion in this Coverage Part or Policy.
- C.** With respect to any loss or damage subject to the exclusion in Paragraph **B.**, such exclusion supercedes any exclusion relating to "pollutants".
- D.** The following provisions in this Coverage Part or Policy are hereby amended to remove reference to bacteria:
  - 1.** Exclusion of "Fungus", Wet Rot, Dry Rot And Bacteria; and
  - 2.** Additional Coverage — Limited Coverage for "Fungus", Wet Rot, Dry Rot And Bacteria, including any endorsement increasing the scope or amount of coverage.
- E.** 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.

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

## PROTECTIVE SAFEGUARDS

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
STANDARD PROPERTY POLICY

### SCHEDULE\*

| Premises Number  | Building Number | Protective Safeguards Symbols Applicable |
|--|-----------------|--|
| 001  | 001             | P-1                                      |
|  |                 |  |
|  |                 |  |
| <b>Describe any "P-9":</b>   |                 |  |
|  |                 |  |
| * Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |                 |  |

**A.** The following is added to the Commercial Property Conditions:

**Protective Safeguards**

As a condition of this insurance, you are required to:

1. Maintain the protective safeguards listed in the Schedule, and over which you have control, in complete working order;
2. Actively engage and maintain in the "on" position at all times any automatic fire alarm or other automatic system listed in the Schedule; and
3. Notify us if you know of any suspension of or impairment in any protective safeguard listed in the Schedule.

However, if part of an Automatic Sprinkler System or Automatic Commercial Cooking Exhaust And Extinguishing System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

**B.** The following is added to the Exclusions section of:

- Causes Of Loss – Basic Form
- Causes Of Loss – Broad Form
- Causes Of Loss – Special Form
- Mortgageholders Errors And Omissions Coverage Form
- Standard Property Policy

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you failed to comply with any condition set forth in Paragraph **A.**

**C.** The protective safeguards to which this endorsement applies are identified by the following symbols:

**"P-1" Automatic Sprinkler System**, including related supervisory services.

Automatic Sprinkler System means:

- a. Any automatic fire protective or extinguishing system, including connected:
  - (1) Sprinklers and discharge nozzles;
  - (2) Ducts, pipes, valves and fittings;
  - (3) Tanks, their component parts and supports; and
  - (4) Pumps and private fire protection mains.
- b. When supplied from an automatic fire protective system:
  - (1) Non-automatic fire protective systems; and
  - (2) Hydrants, standpipes and outlets.

**"P-2" Automatic Fire Alarm**, protecting the entire building, that is:

- a. Connected to a central station; or
- b. 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.

**"P-5" Automatic Commercial Cooking Exhaust And Extinguishing System** installed on cooking appliances and having the following components:

- a. Hood;
- b. Grease removal device;
- c. Duct system; and
- d. Wet chemical fire extinguishing equipment.

**"P-9"**, the protective system described in the Schedule.



## 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 direct physical loss unless the loss is excluded or limited in this policy.

### 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 or compliance with 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 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 **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.

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 the described 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.

**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 (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).

**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 result 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 result 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 microwaves.

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 (including theft) by you, any of your partners, members, officers, managers, employees (including temporary employees and leased workers), directors, trustees or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1)** Applies whether or not an act occurs during your normal hours of operation;
- (2)** 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.
- 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.
- g. Lawns, trees, shrubs or plants which are part of a vegetated roof, caused by or resulting from:
  - (1) Dampness or dryness of atmosphere or of soil supporting the vegetation;
  - (2) Changes in or extremes of temperature;
  - (3) Disease;
  - (4) Frost or hail; or
  - (5) Rain, snow, ice or sleet.
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 (unless a higher limit is shown in the Declarations):
- a.** \$2,500 for furs, fur garments and garments trimmed with fur.
  - b.** \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semiprecious 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 are the result of one or more of the following causes that occur 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.

This Additional Coverage does not apply to lawns, trees, shrubs or plants which are part of a vegetated roof.
- 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 continue to be present or active, or recur, 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 cause 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:
    - (1) 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; and

- (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system operated by a public or private utility service provider pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage under this policy in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in **c.(1)** or **c.(2)** of this definition of "specified causes of loss," such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the surface of the ground.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MARYLAND CHANGES – CONDOMINIUM ADDITIONAL PROVISIONS

This endorsement modifies insurance provided under the following:

### CONDOMINIUM ASSOCIATION COVERAGE FORM

**A.** The following is added:

No act or omission by any unit-owner will void the policy or be a condition to recovery under this policy. But this does not apply to unit-owners acting within the scope of their authority on behalf of the Association or council of unit-owners.

**B.** The **Waiver Of Rights Of Recovery** Loss Condition is replaced by the following:

**Waiver Of Rights Of Recovery**

We waive our rights to recover payment against:

- (1) Any unit-owner described in the Declarations including the developer, and members of his or her household;
- (2) The Association or council of unit-owners; and
- (3) Members of the board of directors for acts or omissions within the scope of their duties for you.

But we reserve our rights to recover from the developer damages for which he or she may be held liable in his or her capacity as a developer.

**C.** Paragraph **b.** of the **Mortgageholders** Additional Condition is replaced by the following:

- b.** If the condominium is terminated, we will pay for covered loss of, or damage to, buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.

In all other respects, we will pay for loss to buildings or structures to you or the designated insurance trustee in accordance with the Loss Payment Loss Condition contained in this Coverage Part.

# GENERAL LIABILITY DECLARATIONS COMMERCIAL GENERAL LIABILITY COVERAGE PART

THIS POLICY IS ISSUED BY THE  
INSURANCE COMPANY OF GREATER NEW YORK

|  |  |  |
|--|--|--|
| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>   | EFFECTIVE DATE<br><b>07/01/2022</b>  | POLICY NUMBER <b>6119M36270</b><br>POLICY PERIOD <b>07-01-2022 to 07-01-2023</b><br>ENDORSEMENT NUMBER |
| FORM OF BUSINESS: <b>CORPORATION</b>   |  |  |
| TYPE OF POLICY <b>OCCURRENCE</b>   |  |  |
| LOCATION OF ALL PREMISES YOU OWN/RENT/ OCCUPY THAT WE INSURE UNDER THIS POLICY<br><b>SEE DESIGNATION OF PREMISES SCHEDULE</b>              |  |  |
| THESE DECLARATIONS ARE COMPLETED ON THE ATTACHED COMMERCIAL GENERAL LIABILITY COVERAGE PART SCHEDULE(S).                                   |  |  |
| <b>LIMITS OF INSURANCE</b>   |  |  |
| <b>COVERAGE</b>  | <b>LIMIT OF LIABILITY</b>  |  |
| <b>AGGREGATE LIMITS OF LIABILITY</b>   | Products/ Completed Operations Aggregate<br><br><u>Products/Completed Operations are subject to the General Aggregate Limit.</u><br><br>General Aggregate (other than Products/ Completed Operations)<br><br><u>\$       2,000,000</u> |  |
| <b>COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY EACH OCCURRENCE LIMIT</b><br><br><b>DAMAGE TO PREMISES RENTED TO YOU LIMIT</b> | <u>\$       1,000,000</u><br><br>any one premises<br><br><u>\$       100,000</u>   |  |
| <b>COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY LIMIT</b>  | <u>\$       1,000,000</u><br><br>any one person or organization  |  |
| <b>COVERAGE C - MEDICAL PAYMENTS LIMIT</b>   | <u>\$       5,000</u><br><br>any one person  |  |
| ENDORSEMENTS ATTACHED TO THIS COVERAGE FORM:<br><br><b>SEE SCHEDULE OF FORMS AND ENDORSEMENTS</b>  |  |  |
| TOTAL ANNUAL PREMIUM- THIS COVERAGE PART INCLUDING ANY LIQUOR LIABILITY AND OWNERS & CONTRACTORS:  | PREMISES/ OPER<br>\$ <b>2,225</b>  | PROD/ CP/ OPER<br>\$   |
| <b>THIS POLICY CONTAINS AGGREGATE LIMITS; REFER TO SECTION III --LIMITS OF INSURANCE FOR DETAILS.</b>                                      |  |  |

**COMMERCIAL GENERAL LIABILITY  
COMMERCIAL GENERAL COVERAGE PART SCHEDULE**

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|  |                                     |  |   |  |
|--|-------------------------------------|--|---|--|
| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>   |                                     | <b>EFFECTIVE</b> DATE<br><b>07-01-22</b> | POLICY NUMBER <b>6119M36270</b><br>ENDORSEMENT NUMBER |  |
|  |                                     |  |   |  |
| CLASS CODE<br><b>46622</b>   | PREMIUM BASIS<br><b>SQUARE FEET</b> | PREMISES/OPERATIONS                      |   |  |
| LOCATION<br><b>001/001</b>   | EXPOSURE<br><b>8,160</b>            | RATE                                     | PREMIUM   |  |
| CLASS DESCRIPTION<br><b>PARKING - PRIVATE (PRODUCTS-COMPLETED<br/>OPERATIONS ARE SUBJECT TO THE GENERAL<br/>AGGREGATE LIMIT)</b>             |                                     | <b>19.174</b>                            | <b>156.00</b>   |  |
|  |                                     | PRODUCTS/COMPL OPERATIONS                |   |  |
|  |                                     | RATE                                     | PREMIUM   |  |
|  |                                     |  | <b>INCL</b>   |  |
|  |                                     |  |   |  |
| CLASS CODE<br><b>46622</b>   | PREMIUM BASIS                       | PREMISES/OPERATIONS                      |   |  |
| LOCATION<br><b>001/001</b>   | EXPOSURE<br><b>8,160</b>            | RATE                                     | PREMIUM   |  |
| CLASS DESCRIPTION<br><b>TERRORISM</b>  |                                     | <b>.025</b>                              | <b>4.00</b>   |  |
|  |                                     | PRODUCTS/COMPL OPERATIONS                |   |  |
|  |                                     | RATE                                     | PREMIUM   |  |
|  |                                     |  |   |  |
|  |                                     |  |   |  |
| CLASS CODE<br><b>60011</b>   | PREMIUM BASIS<br><b>UNITS/EACH</b>  | PREMISES/OPERATIONS                      |   |  |
| LOCATION<br><b>001/001</b>   | EXPOSURE<br><b>7</b>                | RATE                                     | PREMIUM   |  |
| CLASS DESCRIPTION<br><b>APARTMENT BUILDINGS - GARDEN (PRODUCTS-<br/>COMPLETED OPERATIONS ARE SUBJECT TO THE<br/>GENERAL AGGREGATE LIMIT)</b> |                                     | <b>35.150</b>                            | <b>246.00</b>   |  |
|  |                                     | PRODUCTS/COMPL OPERATIONS                |   |  |
|  |                                     | RATE                                     | PREMIUM   |  |
|  |                                     |  | <b>INCL</b>   |  |

**COMMERCIAL GENERAL LIABILITY  
COMMERCIAL GENERAL COVERAGE PART SCHEDULE**

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|   |                                     |  |   |              |
|---|-------------------------------------|--|---|--------------|
| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>  |                                     | <b>EFFECTIVE</b> DATE<br><b>07-01-22</b> | POLICY NUMBER <b>6119M36270</b><br>ENDORSEMENT NUMBER |              |
|   |                                     |  |   |              |
| CLASS CODE<br><b>60011</b>  | PREMIUM BASIS                       |  | PREMISES/OPERATIONS                                   |              |
| LOCATION<br><b>001/001</b>  | EXPOSURE<br><b>7</b>                |  | RATE  | PREMIUM      |
| CLASS DESCRIPTION<br><b>TERRORISM</b>   |                                     |  | <b>.025</b>   | <b>6.00</b>  |
|   |                                     |  | PRODUCTS/COMPL OPERATIONS                             |              |
|   |                                     |  | RATE  | PREMIUM      |
|   |                                     |  |   |              |
| CLASS CODE<br><b>61224</b>  | PREMIUM BASIS<br><b>SQUARE FEET</b> |  | PREMISES/OPERATIONS                                   |              |
| LOCATION<br><b>001/001</b>  | EXPOSURE<br><b>500</b>              |  | RATE  | PREMIUM      |
| CLASS DESCRIPTION<br><b>BUILDINGS OR PREMISES - OFFICE - PREMISES<br/>OCCUPIED BY EMPLOYEES OF THE INSURED - OTHER<br/>THAN NOT-FOR-PROFIT (PRODUCTS-COMPLETED<br/>OPERATIONS ARE SUBJECT TO THE GENERAL<br/>AGGREGATE LIMIT)</b> |                                     |  | <b>35.930</b>   | <b>18.00</b> |
|   |                                     |  | PRODUCTS/COMPL OPERATIONS                             |              |
|   |                                     |  | RATE  | PREMIUM      |
|   |                                     |  |   | <b>INCL</b>  |
|   |                                     |  |   |              |
| CLASS CODE<br><b>61224</b>  | PREMIUM BASIS                       |  | PREMISES/OPERATIONS                                   |              |
| LOCATION<br><b>001/001</b>  | EXPOSURE<br><b>500</b>              |  | RATE  | PREMIUM      |
| CLASS DESCRIPTION<br><b>TERRORISM</b>   |                                     |  | <b>.025</b>   | <b>1.00</b>  |
|   |                                     |  | PRODUCTS/COMPL OPERATIONS                             |              |
|   |                                     |  | RATE  | PREMIUM      |

**COMMERCIAL GENERAL LIABILITY  
COMMERCIAL GENERAL COVERAGE PART SCHEDULE**

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|  |                                     |  |   |  |
|--|-------------------------------------|--|---|--|
| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>   |                                     | <b>EFFECTIVE</b> DATE<br><b>07-01-22</b> | POLICY NUMBER <b>6119M36270</b><br>ENDORSEMENT NUMBER |  |
|  |                                     |  |   |  |
| CLASS CODE<br><b>62000</b>   | PREMIUM BASIS<br><b>SQUARE FEET</b> | PREMISES/OPERATIONS                      |   |  |
| LOCATION<br><b>001/001</b>   | EXPOSURE<br><b>1,500</b>            | RATE                                     | PREMIUM   |  |
| CLASS DESCRIPTION<br><b>CONDOMINIUMS - COMMERCIAL - BANK OR<br/>MERCANTILE, MANUFACTURING OR OFFICE<br/>(ASSOCIATION RISK ONLY) (PRODUCTS-COMPLETED<br/>OPERATIONS ARE SUBJECT TO THE GENERAL<br/>AGGREGATE LIMIT)</b> |                                     | <b>25.409</b>                            | <b>38.00</b>  |  |
|  |                                     | PRODUCTS/COMPL OPERATIONS                |   |  |
|  |                                     | RATE                                     | PREMIUM   |  |
|  |                                     |  | <b>INCL</b>   |  |
|  |                                     |  |   |  |
| CLASS CODE<br><b>62000</b>   | PREMIUM BASIS                       | PREMISES/OPERATIONS                      |   |  |
| LOCATION<br><b>001/001</b>   | EXPOSURE<br><b>1,500</b>            | RATE                                     | PREMIUM   |  |
| CLASS DESCRIPTION<br><b>TERRORISM</b>  |                                     | <b>.025</b>                              | <b>1.00</b>   |  |
|  |                                     | PRODUCTS/COMPL OPERATIONS                |   |  |
|  |                                     | RATE                                     | PREMIUM   |  |
|  |                                     |  |   |  |
|  |                                     |  |   |  |
| CLASS CODE<br><b>62003</b>   | PREMIUM BASIS<br><b>UNITS/EACH</b>  | PREMISES/OPERATIONS                      |   |  |
| LOCATION<br><b>001/001</b>   | EXPOSURE<br><b>49</b>               | RATE                                     | PREMIUM   |  |
| CLASS DESCRIPTION<br><b>CONDOMINIUMS RESIDENTIAL - (ASSOCIATION RISK<br/>ONLY) (PRODUCTS-COMPLETED OPERATIONS ARE<br/>SUBJECT TO THE GENERAL AGGREGATE LIMIT)</b>  |                                     | <b>26.155</b>                            | <b>1,282.00</b>                                       |  |
|  |                                     | PRODUCTS/COMPL OPERATIONS                |   |  |
|  |                                     | RATE                                     | PREMIUM   |  |
|  |                                     |  | <b>INCL</b>   |  |

**COMMERCIAL GENERAL LIABILITY  
COMMERCIAL GENERAL COVERAGE PART SCHEDULE**

THIS POLICY IS ISSUED BY THE  
**INSURANCE COMPANY OF GREATER NEW YORK**

|  |                                     |  |   |               |
|--|-------------------------------------|--|---|---------------|
| NAMED INSURED<br><b>STRATHMORE TOWER CONDOMINIUM,<br/>INC.</b>   |                                     | <b>EFFECTIVE</b> DATE<br><b>07-01-22</b> | POLICY NUMBER <b>6119M36270</b><br>ENDORSEMENT NUMBER |               |
|  |                                     |  |   |               |
| CLASS CODE<br><b>62003</b>                                       | PREMIUM BASIS                       |  | PREMISES/OPERATIONS                                   |               |
| LOCATION<br><b>001/001</b>                                       | EXPOSURE<br><b>49</b>               |  | RATE  | PREMIUM       |
| CLASS DESCRIPTION<br><b>TERRORISM</b>                            |                                     |  | <b>.025</b>   | <b>32.00</b>  |
|  |                                     |  | PRODUCTS/COMPL OPERATIONS                             |               |
|  |                                     |  | RATE  | PREMIUM       |
|  |                                     |  |   |               |
|  |                                     |  |   |               |
| CLASS CODE<br><b>69999</b>                                       | PREMIUM BASIS                       |  | PREMISES/OPERATIONS                                   |               |
| LOCATION   | EXPOSURE<br><b>1</b>                |  | RATE  | PREMIUM       |
| CLASS DESCRIPTION<br><b>EMPLOYERS PRACTICES LIABILITY</b>        |                                     |  |   | <b>100.00</b> |
|  |                                     |  | PRODUCTS/COMPL OPERATIONS                             |               |
|  |                                     |  | RATE  | PREMIUM       |
|  |                                     |  |   |               |
|  |                                     |  |   |               |
| CLASS CODE   | PREMIUM BASIS<br><b>Flat Charge</b> |  | PREMISES/OPERATIONS                                   |               |
| LOCATION   | EXPOSURE                            |  | RATE  | PREMIUM       |
| CLASS DESCRIPTION<br><b>PROTECTO-GUARD HABITATIONAL COVERAGE</b> |                                     |  |   | <b>250.00</b> |
|  |                                     |  | PRODUCTS/COMPL OPERATIONS                             |               |
|  |                                     |  | RATE  | PREMIUM       |
|  |                                     |  |   |               |



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

## **COMMUNICABLE DISEASE EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Communicable Disease**

"Bodily injury" or "property damage" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

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

**B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Communicable Disease**

"Personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

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

## COMMERCIAL GENERAL LIABILITY 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, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II – Who Is An Insured.

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

### SECTION I – COVERAGES

#### COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

##### 1. Insuring Agreement

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages A and B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";

(2) The "bodily injury" or "property damage" occurs during the policy period; and

(3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

## 2. Exclusions

This insurance does not apply to:

### a. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

### b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

### c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

### d. Workers' Compensation And Similar Laws

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

### e. Employer's Liability

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

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

**f. Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
- (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:
    - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
    - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
    - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
  - (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
  - (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:
    - (i) Any insured; or
    - (ii) Any person or organization for whom you may be legally responsible; or
  - (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:
    - (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;
    - (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
    - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".
  - (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
  - (a) Less than 26 feet long; and
  - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

- (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
- (b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (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.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;

- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III – Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".

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

**q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or

- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III – Limits Of Insurance.

## **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**

### **1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:
- (1) The amount we will pay for damages is limited as described in Section III – Limits Of Insurance; and
  - (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages **A** or **B** or medical expenses under Coverage **C**.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments – Coverages **A** and **B**.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

### **2. Exclusions**

This insurance does not apply to:

#### **a. Knowing Violation Of Rights Of Another**

"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

#### **b. Material Published With Knowledge Of Falsity**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.

#### **c. Material Published Prior To Policy Period**

"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.

#### **d. Criminal Acts**

"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.

#### **e. Contractual Liability**

"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

#### **f. Breach Of Contract**

"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

#### **g. Quality Or Performance Of Goods – Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

#### **h. Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

**i. Infringement Of Copyright, Patent, Trademark Or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web sites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs **14.a.**, **b.** and **c.** of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**l. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution-related**

Any loss, cost or expense arising out of any:

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

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (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.

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.



## COVERAGE C – MEDICAL PAYMENTS

### 1. Insuring Agreement

a. We will pay medical expenses as described below for "bodily injury" caused by an accident:

- (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
- provided that:

- (a) The accident takes place in the "coverage territory" and during the policy period;
- (b) The expenses are incurred and reported to us within one year of the date of the accident; and
- (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.

b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:

- (1) First aid administered at the time of an accident;
- (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
- (3) Necessary ambulance, hospital, professional nursing and funeral services.

### 2. Exclusions

We will not pay expenses for "bodily injury":

#### a. Any Insured

To any insured, except "volunteer workers".

#### b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

#### c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

#### d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

#### e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports, or athletic contests.

#### f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

#### g. Coverage A Exclusions

Excluded under Coverage A.

## SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:

- a. All expenses we incur.
- b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
- c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
- e. All court costs taxed against the insured in the "suit". However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.

- g.** All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2.** If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a.** The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b.** This insurance applies to such liability assumed by the insured;
  - c.** The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d.** The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
  - e.** The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
  - f.** The indemnitee:
    - (1)** Agrees in writing to:
      - (a)** Cooperate with us in the investigation, settlement or defense of the "suit";
      - (b)** Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
      - (c)** Notify any other insurer whose coverage is available to the indemnitee; and
      - (d)** Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
    - (2)** Provides us with written authorization to:
      - (a)** Obtain records and other information related to the "suit"; and
      - (b)** Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph **2.b.(2)** of Section I – Coverage A – Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph **f.** above, are no longer met.

## **SECTION II – WHO IS AN INSURED**

- 1.** If you are designated in the Declarations as:
  - a.** An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b.** A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c.** A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d.** An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
  - e.** A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1)(a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.

(2) "Property damage" to property:

- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
- you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage **A** does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage **B** does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III – LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:

- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits".

2. The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under Coverage **C**;
- b. Damages under Coverage **A**, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under Coverage **B**.

3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage **A** for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
4. Subject to Paragraph **2.** above, the Personal And Advertising Injury Limit is the most we will pay under Coverage **B** for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
5. Subject to Paragraph **2.** or **3.** above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
  - a. Damages under Coverage **A**; and
  - b. Medical expenses under Coverage **C** because of all "bodily injury" and "property damage" arising out of any one "occurrence".
6. Subject to Paragraph **5.** above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage **A** for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
7. Subject to Paragraph **5.** above, the Medical Expense Limit is the most we will pay under Coverage **C** for all medical expenses because of "bodily injury" sustained by any one person.

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

#### **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" or offense took place;
  - (2) The names and addresses of any injured persons and witnesses; and

- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.
- b. If a claim is made or "suit" is brought against any insured, you must:
  - (1) Immediately record the specifics of the claim or "suit" and the date received; and
  - (2) Notify us as soon as practicable.  
You must see to it that we receive written notice of the claim or "suit" as soon as practicable.
- c. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.
- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

#### 4. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as follows:

##### a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below.

##### b. Excess Insurance

(1) This insurance is excess over:

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
  - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion **g.** of Section **I** — Coverage **A** — Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

##### c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 5. Premium Audit

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 6. Representations

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;

- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V – DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web sites, only that part of a web site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
2. "Auto" means:
  - a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
4. "Coverage territory" means:
  - a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
  - b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
  - c. All other parts of the world if the injury or damage arises out of:
    - (1) Goods or products made or sold by you in the territory described in Paragraph a. above;
    - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
    - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;
 provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.
5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, bylaws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement;
 if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:
  - a. False arrest, detention or imprisonment;
  - b. Malicious prosecution;
  - c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
  - d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
  - e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - f. The use of another's advertising idea in your "advertisement"; or
  - g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".
15. "Pollutants" mean 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.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
    - (a) When all of the work called for in your contract has been completed.
    - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
    - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

- b. Does not include "bodily injury" or "property damage" arising out of:
  - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
  - (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
  - (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products-completed operations are subject to the General Aggregate Limit.

17. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.



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

**18.** "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

**19.** "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

**20.** "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

**21.** "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

**22.** "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

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

## **MARYLAND CHANGES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

- A.** Paragraphs **2.** and **3.** of the **Cancellation** Common Policy Condition are replaced by the following:
- 2.** When this Policy has been in effect for 45 days or less and is not a renewal policy, we may cancel this Coverage Part by mailing to the first Named Insured, at the last mailing address known to us, written notice of cancellation, stating the reason for cancellation, at least:
    - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
    - b.** 15 days before the effective date of cancellation if we cancel because the risk does not meet our underwriting standards.
  - 3.** When this Policy has been in effect for more than 45 days or is a renewal policy, we may cancel this Policy by mailing to the first Named Insured, at the last mailing address known to us, written notice of cancellation at least:
    - a.** 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
    - b.** 45 days before the effective date of cancellation if we cancel for a permissible reason other than nonpayment of premium, stating the reason for cancellation. Under this Paragraph **b.**, we may cancel only for one or more of the following reasons:
      - (1)** When there exists material misrepresentation or fraud in connection with the application, policy, or presentation of a claim.
      - (2)** A change in the condition of the risk that results in an increase in the hazard insured against.
- (3)** A matter or issue related to the risk that constitutes a threat to public safety.
- If we cancel pursuant to Paragraph **3.b.**, you may request additional information on the reason for cancellation within 30 days from the date of our notice.
- 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.
    - a.** The refund will be pro rata if:
      - (1)** We cancel; or
      - (2)** The Policy is not a renewal policy, and the first Named Insured cancels upon receiving written notice that we recalculated the premium based on the discovery of a material risk factor during the first 45 days the Policy has been in effect.
    - b.** If the first Named Insured cancels, other than the cancellation described in Paragraph **a.(2)**, the refund will be calculated as follows:
      - (1) Policies Written For One Year Or Less**

We will refund 90% of the pro rata unearned premium.
      - (2) Policies Written For More Than One Year**
        - (a)** If the Policy is cancelled in the first year, we will refund 90% of the pro rata unearned premium for the first year, plus the full annual premium for subsequent years.
        - (b)** If the Policy is cancelled after the first year, we will refund the pro rata unearned premium.

**(3) Continuous And Annual Premium Payment Policies**

We will refund 90% of the pro rata unearned premium for the year in which the Policy is cancelled.

We will retain the minimum premium, except if the Policy is cancelled as of the inception date.

However, if this Policy is financed by a premium finance company and we or the premium finance company or the first Named Insured cancels the Policy, the refund will consist of the gross unearned premium computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the insurance commissioner.

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

**C. Paragraph 6. of the Cancellation Common Policy Condition is replaced by the following:**

- 6.** We will send notice of cancellation to the first Named Insured by a "first-class mail tracking method" if:
  - a.** We cancel for nonpayment of premium; or
  - b.** This Policy is not a renewal of a policy we issued and has been in effect for 45 days or less.

We will send notice to the first Named Insured by a "first-class mail tracking method" or by commercial mail delivery service if we cancel for a reason other than nonpayment of premium and this Policy:

- a.** Is a renewal of a policy we issued; or
- b.** Has been in effect for more than 45 days.

We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.

**D. The following condition is added and supersedes any provisions to the contrary:**

**When We Do Not Renew**

- 1.** We may elect not to renew this Policy by mailing notice of nonrenewal to the first Named Insured at the last mailing address known to us at least 45 days before the expiration date of this Policy.
- 2.** We will send notice of nonrenewal to the first Named Insured by a "first-class mail tracking method" or by commercial mail delivery service. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.
- 3.** When we elect not to renew a policy that has been in effect for more than 45 days for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew. You may request additional information within 30 days from the date of our notice.
- 4.** If we offer to renew at least 45 days before the renewal date and you fail to make the required premium payment by the renewal date, the Policy will terminate on the renewal date for nonpayment of premium.

**E. The following definition is added:**

"First-class mail tracking method" means a method that provides evidence of the date that a piece of first-class mail was accepted for mailing by the United States Postal Service, including a certificate of mail and an electronic mail tracking system used by the United States Postal Service.

"First-class mail tracking method" does not include a certificate of bulk mailing.

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

## **EXCLUSION – DESIGNATED PROFESSIONAL SERVICES**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

### **SCHEDULE**

| <b>Description Of Professional Services</b>  |
|--|
| 1. ALL PROFESSIONAL SERVICES   |
| 2.   |
| 3.   |
| 4.   |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |

With respect to any professional services shown in the Schedule, the following exclusion is added to Paragraph 2. Exclusions of **Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2. Exclusions of **Section I – Coverage B – Personal And Advertising Injury Liability**:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" due to the rendering of or failure to render any professional service.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional service.

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

## **TOTAL POLLUTION EXCLUSION WITH A BUILDING HEATING, COOLING AND DEHUMIDIFYING EQUIPMENT EXCEPTION AND A HOSTILE FIRE EXCEPTION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

Exclusion f. under Paragraph 2. **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

This insurance does not apply to:

#### **f. Pollution**

- (1) "Bodily injury" or "property damage" which would not have occurred in whole or part but for the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

This exclusion does not apply to:

- (a) "Bodily injury" if sustained within a building which is or was at any time owned or occupied by, or rented or loaned to, any insured and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests; or
- (b) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire" unless that "hostile fire" occurred or originated:
- (i) At any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste; or

- (ii) At any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations to test for, monitor, clean up, remove, contain, treat, detoxify, neutralize or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

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

## **MARYLAND CHANGES – PREMIUM AUDIT CONDITION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
ELECTRONIC DATA LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
PRODUCT WITHDRAWAL COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

Paragraph **b.** of the **Premium Audit Condition Section IV** is replaced by the following:

**Premium Audit**

- b.** Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is 30 days from the date of the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

# **GNY INSURANCE COMPANIES**

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

## **BASIC CONSTRUCTION EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

This insurance does not apply to "bodily injury" or "property damage" arising out of construction or demolition operations which are performed by or on behalf of the Named Insured in the course of any job which involves the new construction or demolition of any load bearing wall, floor, ceiling or roof of a building or structure, provided, however, that nothing herein limits, prohibits or restricts insurance coverage for the repair, alteration, maintenance or refurbishing of a load bearing wall, floor, ceiling or roof.

**POLICY NUMBER:** 6119M36270  
**POLICY PERIOD:** 07/01/2022 - 07/01/2023

## **GNV INSURANCE COMPANIES**

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

### **HIRED AUTO AND NON-OWNED AUTO LIABILITY**

This endorsement modifies insurance provided under the following:

#### COMMERCIAL GENERAL LIABILITY COVERAGE PART

| <b>SCHEDULE</b>            |                           |
|----------------------------|---------------------------|
| <b>Coverage</b>            | <b>Additional Premium</b> |
| "Hired Auto" Liability     | \$40                      |
| "Non-Owned Auto" Liability | \$40                      |

"Hired Auto" and "Non-Owned Auto" Liability

A. Insurance is provided only for those coverages for which a specific premium charge is shown in the Declarations or in the Schedule.

1. "Hired Auto" Liability

The insurance provided under Coverage A of the Commercial General Liability Coverage Form, applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

2. "Non-Owned Auto" Liability

The insurance provided under Coverage A of the Commercial General Liability Coverage Form applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in your business by any person other than you.

B. The following applies only to insurance provided by Paragraph A. of this endorsement:

1. The exclusions under the Commercial General Liability Coverage Form, other than Exclusions a., b., d., f. and i. are deleted and replaced by the following:

a. "Bodily injury" to an "employee" of the insured arising out of and in the course of:

(1) Employment by the insured; or



(2) Performing duties related to the conduct of the insured's business.

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the insured under an "insured contract".

b. "Property damage" to:

(1) Property owned or being transported by, or rented or loaned to the insured; or

(2) Property in the care, custody or control of the insured.

2. **SECTION II - WHO IS AN INSURED** of the **COMMERCIAL GENERAL LIABILITY COVERAGE FORM** is replaced by the following:

Each of the following is an insured under this endorsement to the extent set forth below:

a. You;

b. Any other person using a "hired auto" with your permission;

c. For a "non-owned auto", any partner or "executive officer" of yours, but only while such "non-owned auto" is being used in your business; and

d. Any other person or organization, but only for their liability because of acts or omissions of an insured under a., b. or c. above.

None of the following is an insured:

a. Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment;

b. Any partner or "executive officer" for any "auto" owned by such partner or officer or a member of his or her household;

c. Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;

d. The owner or lessee (of whom you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner or lessee;

e. Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

C. The following additional definitions apply:

1. "Auto Business" means the business or occupation of selling, repairing, servicing, storing or parking "autos".
2. "Hired-Auto" means any "auto" you lease, hire or borrow. "Hired Auto" does not include any "auto" you lease, hire or borrow:
  - a. From any of your "employees" or members of their households, or from any partner "executive officer" of yours, or
  - b. For a period of six months or more.
3. "Non-Owned Auto" means any "auto" you do not own, lease, hire or borrow that is used in connection with your business. However, if you are a partnership, a "non-owned auto" does not include any "auto" owned by any partner.

D. The coverage provided by this endorsement does not apply to:

Any obligation or liability for any injury, loss, cost, damage or expense:

- a. Under Section C., Medical Payments;
- b. Imposed by No-fault law;
- c. For personal injury protection coverage;
- d. For underinsured or uninsured motorists coverage;
- e. Imposed by any financial responsibility law; or
- f. Imposed by Laws or Coverages related to first-party coverage; or
- g. Similar coverage or law.

**GREATER NEW YORK INSURANCE GROUP**  
**PROTECTO – GUARD**  
**ENHANCED GENERAL LIABILITY COVERAGE ENDORSEMENT**  
**FOR HABITATIONAL PROPERTIES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

| SCHEDULE   |   |
|--|---|
| GENERAL LIABILITY COVERAGE                                   | LIMIT OF INSURANCE<br>(INCLUDES LIMITS PROVIDED BY COVERAGE FORMS LISTED ABOVE) |
| Damage To Premises Rented To You                             | <b>\$1,000,000</b>  |
| Notice to Company  | Included  |
| Knowledge of Occurrence                                      | Included  |
| Unintentional Errors or Omission                             | Included  |
| Mental Anguish included in the Definition of "Bodily Injury" | Included  |

**AMENDMENTS TO THE COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

The following modifies insurance provided under the **Commercial General Liability Coverage Form**:

**AMENDMENTS TO COMMERCIAL GENERAL LIABILITY COVERAGE FORM - SECTION III - LIMITS OF INSURANCE**

**DAMAGE TO PREMISES RENTED TO YOU**

The following is added as the last sentence to paragraph 6. in Section III:

In addition to the limit shown in the Declarations for Damage to Premises Rented To You, and subject to the terms of that coverage, under the PROTECTO-GUARD GENERAL LIABILITY ENHANCED COVERAGE ENDORSEMENT we will pay **\$900,000** "Property Damage" to any one premises while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.

**AMENDMENTS TO COMMERCIAL GENERAL LIABILITY COVERAGE FORM - SECTION VI – DEFINITIONS**

As respects the coverage provided by the **PROTECTO-GUARD ENHANCED GENERAL LIABILITY COVERAGE ENDORSEMENT FOR HABITATIONAL PROPERTIES**, the following amends the Definition of "Bodily Injury":

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish or death resulting from any of these at any time.

**AMENDMENTS TO COMMERCIAL GENERAL LIABILITY COVERAGE FORM - SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**

As respects the coverage provided by the **PROTECTO-GUARD ENHANCED GENERAL LIABILITY COVERAGE ENDORSEMENT FOR HABITATIONAL PROPERTIES**, the following are added to the Commercial General Liability Conditions:

**NOTICE TO COMPANY**

If a liability claim is made to an insured arising from an "occurrence" that caused "bodily injury" to a person the insured disputes is an employee; and if the insured timely notifies its workers' compensation insurer of the occurrence; and if a workers' compensation board or law court finally determines that the person is not an employee of the insured; then the insured's delay in reporting the "occurrence" to us will not be deemed late notice of the "occurrence" under paragraph 2., Duties In The Event Of Occurrence, Offense, Claim or Suit, of SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS, if the insured reports the "occurrence" to us as soon as

practicable on learning of the final determination.

**KNOWLEDGE OF OCCURRENCE:**

It is agreed that knowledge of an "occurrence" by the agent, servant or employee of the insured shall not in itself constitute knowledge by the insured unless the named insured or any partner or any executive officer of the insureds corporation shall have received such notice from the agent, servant or employee.

**UNINTENTIONAL ERROR OR OMISSIONS:**

It is agreed that failure of the insured to disclose all hazards existing as of the inception date of the policy shall not prejudice the insured with respect to the coverage afforded by this policy provided such failure or any omission is not intentional.

**ADDITIONAL COVERAGES:**

**1. EXCEPTION TO THE LIMITATION OF COVERAGE TO DESIGNATED PREMISES, PROJECT OR OPERATION ENDORSEMENT (CG 21 44)**

If ISO Endorsement **CG 21 44 Limitation of Coverage To Designated Premises, Project or Operation Endorsement** is attached to your policy, it does not apply to sums you are legally obligated to pay as damages because of "bodily injury" or "property damage" under Coverage A, or to medical expenses under Coverage C, arising out of:

- a) Premises leased for your annual meeting; and
- b) An "executive officer" while attending a trade show, exhibition or convention.

**2. BLANKET ADDITIONAL INSURED – MANAGERS OR LESSORS OF PREMISES**

**A. SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you, before a loss, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by you or those acting on your behalf in connection with the ownership, maintenance, or use of that part of the premises leased to you and shown in the Designation of Premises Schedule, subject to the following additional exclusions:

This insurance does not apply to:

- 1. Any "occurrence" which takes place after you cease to be a tenant in that premises; or
- 2. Structural alterations, new construction or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Designation of Premises Schedule.

However:

- 1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- 2. If coverage provided to the additional insured is required by a contract or agreement meeting the requirements stated in Section 2A above, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, OTHER INSURANCE** is amended to add the following provision:

### **Primary and Non-Contributory Insurance**

If you agreed in writing in a contract or agreement that the insurance as identified in 2A above is also primary to and will not seek contribution from any other insurance available to the additional insured, then this additional insured coverage will apply on a primary and non-contributory basis.

### **3. BLANKET ADDITIONAL INSURED – OWNERS OR OTHER INTERESTS FROM WHOM LAND HAS BEEN LEASED**

- A. SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you, before a loss, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by you or those acting on your behalf in connection with the ownership, maintenance, or use of that part of the land leased to you and shown in the Designation of Premises Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement meeting the requirements stated in Section 3A above, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to:

1. Any "occurrence" which takes place after you cease to lease that land; or
2. Structural alterations, new construction, or demolition operations performed by or on behalf of the person(s) or organization(s) shown in the Designation of Premises Schedule.

- C. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, OTHER INSURANCE** is amended to add the following provision:

### **Primary and Non-Contributory Insurance**

If you agreed in writing in a contract or agreement that the insurance as identified in 3A above is also primary to and will not seek contribution from any other insurance available to the additional insured, then this additional insured coverage will apply on a primary and non-contributory basis.

### **4. BLANKET ADDITIONAL INSURED – VENDORS**

- A. SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you, before a loss, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured, but only with respect to liability for "bodily injury" or "property damage" arising out of "your products" shown in the Designation of Premises Schedule which are distributed or sold in the regular course of the vendor's business.

However:

1. The insurance afforded to such vendor only applies to the extent permitted by law; and
2. If coverage provided to the vendor is required by a contract or agreement meeting the requirements stated in Section 4A above, the insurance afforded to such vendor will not be broader than that which you are required by the contract or agreement to provide for such vendor.

**B.** With respect to the insurance afforded to these vendors, the following additional exclusions apply:

1. The insurance afforded the vendor does not apply to:
  - a. "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
  - b. Any express warranty unauthorized by you;
  - c. Any physical or chemical change in the product made intentionally by the vendor;
  - d. Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing, or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
  - e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
  - f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
  - g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
  - h. "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:
    - (1) The exceptions contained in Sub-paragraphs **d.** or **f.**; or
    - (2) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

2. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

**C. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, OTHER INSURANCE** is amended to add the following provision:

**Primary and Non-Contributory Insurance**

If you agreed in writing in a contract or agreement that the insurance as identified in Section 4A above is also primary to and will not seek contribution from any other insurance available to the additional insured, then this additional insured coverage will apply on a primary and non-contributory basis.

## 5. BLANKET ADDITIONAL INSURED – MORTGAGEE, ASSIGNEE OR RECEIVER

- A. **SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you, before a loss, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured, but only with respect to their liability as mortgagee, assignee, or receiver and arising out of the ownership, maintenance, or use of the premises by you and shown in the Designation of Premises Schedule.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
  2. If coverage provided to the additional insured is required by a contract or agreement meeting the requirements in Section 5A above, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B. This insurance does not apply to structural alterations, new construction, and demolition operations performed by or for that person or organization.
- C. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, OTHER INSURANCE** is amended to add the following provision:

### **Primary and Non-Contributory Insurance**

If you agreed in writing in a contract or agreement that the insurance identified in 5A above is also primary to and will not seek contribution from any other insurance available to the additional insured, then this additional insured coverage will apply on a primary and non-contributory basis.

## 6. BLANKET ADDITIONAL INSURED – LESSOR OR LEASED EQUIPMENT

- A. **SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you, before a loss, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by your maintenance, operation or use of equipment leased to you by such person(s) or organization(s).

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
  2. If coverage provided to the additional insured is required by a contract or agreement meeting the requirements stated in Section 6A above, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.
- B. With respect to the insurance afforded to these additional insureds, this insurance does not apply to any "occurrence" which takes place after the equipment lease expires.
- C. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, OTHER INSURANCE** is amended to add the following provision:

**Primary and Non-Contributory Insurance**

If you agreed in writing in a contract or agreement that the insurance as identified in 6A above is also primary to and will not seek contribution from any other insurance available to the additional insured, then this additional insured coverage will apply on a primary and non-contributory basis.

**7. STATE OR GOVERNMENTAL AGENCY OR SUBDIVISION OR POLITICAL SUBDIVISION – PERMITS OR AUTHORIZATIONS RELATING TO PREMISES**

- A. SECTION II – WHO IS AN INSURED** is amended to include as an additional insured any person or organization for whom you, before a loss, have agreed in writing in a contract or agreement that such person or organization be added as an additional insured, subject to the following additional provision:

This insurance applies only with respect to the following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent, or control and to which this insurance applies:

1. The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners or decorations and similar exposures; or
2. The construction, erection or removal of elevators; or
3. The ownership, maintenance or use of any elevators covered by this insurance.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement meeting the requirements stated in Section 7A above, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

- B. SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS, OTHER INSURANCE** is amended to add the following provision:

**Primary and Non-Contributory Insurance**

If you agreed in writing in a contract or agreement that the insurance as identified in 7A above is also primary to and will not seek contribution from any other insurance available to the additional insured, then this additional insured coverage will apply on a primary and non-contributory basis.

All other terms and conditions remain unchanged.



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

**EXCLUSION FOR PUNITIVE DAMAGES AND SIMILAR  
AWARDS AND PENALTIES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** The following exclusion is added to Paragraph 2., **Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability** and Paragraph 2., **Exclusions of Section I – Coverage B– Personal And Advertising Injury Liability**:

**2. Exclusions**

This insurance does not apply to:

**Punitive Damages and Similar Awards and Penalties**

Any liability for fines, penalties, “punitive damages,” exemplary damages, treble, or multiple damages directly or vicariously assessed against the Insured.

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

“**Punitive damages**” means damages that may be imposed to punish a wrongdoer, to deter others from similar conduct, or both.

- C. Defense.** If a suit is brought against an Insured seeking compensatory damages covered by this policy, as well as sums excluded by this endorsement, we will defend the “suit.” However, we will have no obligation to pay for any interest under subparagraph 1. g. of the **SUPPLEMENTARY PAYMENTS** provision attributable to any sum excluded by this endorsement.

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**COMMERCIAL EMPLOYMENT PRACTICES  
LIABILITY INSURANCE COVERAGE PART  
SUPPLEMENTAL DECLARATIONS**

INSURANCE COMPANY OF GREATER NEW YORK

Policy Number: 6119M36270  
Account Number: 19M3627022  
Named Insured: STRATHMORE TOWER CONDOMINIUM,

Agent #: 0020028

**NOTICE**

- EXCEPT TO SUCH EXTENT AS MAY OTHERWISE BE PROVIDED HEREIN, THE COVERAGE OF THIS COVERAGE PART IS LIMITED TO LIABILITY FOR ONLY THOSE CLAIMS OR SUITS THAT ARE FIRST MADE AGAINST THE INSURED DURING THE EPL COVERAGE PERIOD AND REPORTED IN WRITING TO THE INSURER PURSUANT TO THE TERMS HEREIN. VARIOUS PROVISIONS IN THIS COVERAGE PART RESTRICT COVERAGE. PLEASE READ THE ENTIRE COVERAGE PART CAREFULLY TO DETERMINE RIGHTS, DUTIES AND WHAT IS AND IS NOT COVERED.
- THE LIMIT OF LIABILITY AVAILABLE TO PAY JUDGMENTS OR SETTLEMENTS UNDER THIS COVERAGE PART SHALL BE REDUCED BY AMOUNTS INCURRED FOR LEGAL DEFENSE. AMOUNTS INCURRED FOR LEGAL DEFENSE SHALL BE APPLIED AGAINST THE DEDUCTIBLE AMOUNT.

|  |                                    |   |
|--|------------------------------------|---|
| <b>EPL Coverage Period:</b>              | From: 07-01-2022<br>To: 07-01-2023 | At 12:01 A.M. Standard Time at your mailing address shown on the Declarations page of this policy   |
| <b>EPL Aggregate Limit of Liability:</b> | \$ 100,000                         | Aggregate for all "loss" combined, including "defense costs".   |
| <b>EPL Deductible Amount:</b>            | \$ 10,000                          | For "loss" arising from claims or suits alleging the same "wrongful employment act" or "related wrongful employment acts".                                      |
| <b>EPL Original Inception Date:</b>      | 07-01-2015                         | (Enter "original inception date".) If no date is shown, "we" will consider the "original inception date" to be the same as the beginning of this Coverage Part. |

This insurance does not apply to "loss" arising out of a "wrongful employment act" that: (1) commences on or takes place prior to the "original inception date" shown here, or (2) arises out of incidents or circumstance of which "you" had knowledge prior to the "original inception date" shown.

|                              |        |
|------------------------------|--------|
| <b>EPL COVERAGE PREMIUM:</b> | \$ 100 |
|------------------------------|--------|

|  |
|--|
| <b>THIS IS A CLAIMS-MADE AND REPORTED COVERAGE PART.</b> |
|--|

## EMPLOYMENT PRACTICES LIABILITY INSURANCE COVERAGE PART - MARYLAND

Throughout this Coverage Part (hereinafter referred to as "EPL Coverage Part"), the words "you" and "your" refer to the "named insured(s)" shown in the Supplemental Declarations of this EPL Coverage Part and any other person(s) or organization(s) qualifying as a "named insured" under this EPL Coverage Part. The words "we", "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under SECTION III. WHO IS AN INSURED.

Other words and phrases that appear in "quotations" have special meaning. Refer to SECTION VII. DEFINITIONS.

The terms and conditions of the Cancellation Clause of the Common Policy Conditions, IL 00 17 are hereby incorporated herein and shall apply to coverage as is afforded by this EPL Coverage Part, unless specifically stated otherwise in an endorsement(s) attached hereto.

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### SECTION I. WHAT IS COVERED

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#### A. Insuring Agreement

1. "We" shall pay those "losses" arising out of "your" "wrongful employment act" against "your" "employees", "recognized volunteers" and applicants for employment to which this insurance applies. The "wrongful employment act" must commence or take place after the "original inception date", but before the end of the "EPL coverage period". A "claim" or "suit" for a "wrongful employment act" must be first made against "you" during the "EPL coverage period" or any Extended Reporting Period (if applicable) and reported to "us" pursuant to the terms of this EPL Coverage Part.
2. A "claim" or "suit" by a person or organization seeking damages will be deemed to have been made at the earlier of the following times:
  - a. When written notice of such "claim" or "suit" is received and recorded by any "insured" or by "us", whichever comes first; or
  - b. When "we" make any settlement in accordance with the terms of this EPL Coverage Part.

#### B. Defense

1. "We" have the right and duty to defend and appoint an attorney to defend any "claim" or "suit" brought against any "insured" for a "wrongful employment act" to which this insurance applies, even if the "claim" or "suit" is groundless or fraudulent.

2. "We" have the right to investigate and settle any "claim" or "suit" that "we" believe is proper. "You" shall be entitled to effectively associate in the defense of any "claim".
3. "We" shall pay all reasonable costs "we" ask the "insured" to incur while helping "us" investigate or defend a "claim" or "suit". "We", however, will not pay more than \$100 per day for earnings lost by the "insured" because of time taken off from work.
4. "We" shall pay premiums for appeal bonds, or bonds to release property being used to secure a legal obligation, for a covered "suit". "We" shall only pay, however, for bonds valued up to "our" Aggregate EPL Limit of Liability. "We" shall have no obligation to appeal or to obtain these bonds.
5. Payments for "defense costs" are included within the Aggregate EPL Limit of Liability. They are not in addition to the Aggregate EPL Limit of Liability. "Our" duty to defend or to make payment of any "claim" or "suit" pursuant to paragraphs 1-4 above, ends after the Aggregate EPL Limit of Liability has been exhausted by payment of "loss", including "defense costs".
6. "We" shall pay all interest on that amount of any judgment within the Aggregate EPL Limit of Liability:
  - a. which accrues after entry of judgment; and
  - b. before "we" pay, offer to pay, or deposit in court that part of the judgment within the Aggregate EPL Limit of Liability.

These interest payments are included within "our" Aggregate EPL Limit of Liability.

### C. Transfer of Control

1. "You" may take over control of any outstanding "claim" or "suit" previously reported to "us", but only if "we", in "our" sole discretion, decide that you should, or if a court orders "you" to do so.
2. Notwithstanding subsection 1 of this Clause C, in all events, if the Aggregate EPL Limit of Liability is exhausted, "we" will notify "you" of all outstanding "claims" or "suits" and "you" will take over control of the defense. "We" will help transfer control of the "claims" and "suits" to "you".
3. "We" shall take whatever steps are necessary to continue the defense of any outstanding "claim" or "suit" and avoid a default judgment during the transfer of control to "you". If "we" do so, "we" shall not waive or give up any of "our" rights. "You" shall pay all reasonable expenses "we" incur for taking such steps after the Aggregate EPL Limit of Liability is exhausted.

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## SECTION II. EXCLUSIONS—WHAT IS NOT COVERED

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This insurance does not apply to:

### A. Profit or Advantage

Any liability arising out of the gaining of any profit or advantage to which an "insured" was not legally entitled. However, to the extent that a "claim" or "suit" is otherwise covered under this EPL Coverage Part, we will defend a "claim" or "suit" asserting that an "insured" gained a profit or advantage to which the "insured" was not legally entitled, until such time as the "insured" is determined to have gained a profit or advantage to which the "insured" was not legally entitled;

### B. Criminal Acts

Any liability arising out of any dishonest, fraudulent, criminal, or malicious act by or at the direction of any "insured". However, to the extent that a "claim" or "suit" is otherwise covered under this EPL Coverage Part we will defend a "claim" or "suit" asserting a dishonest, fraudulent, criminal or malicious act until such time as the "insured" is determined to have committed such dishonest, fraudulent, criminal or malicious act;

The "wrongful employment act(s)" of an "insured" shall not be imputed to any other "insured" for the purpose of determining the applicability of the foregoing exclusions A and B.

### C. "Property Damage"

Any liability arising out of "property damage";

### D. "Bodily Injury"

Any liability arising out of "bodily injury";

### E. Worker's Compensation, Social Security and Unemployment, Disability and Retirement Benefits

Any liability arising out of any obligation pursuant to any worker's compensation, disability benefits, unemployment compensation, unemployment insurance, retirement benefits, social security benefits or similar law. This exclusion, however, shall not apply to "loss" arising from a "claim" or "suit" for "retaliation";

### F. Contractual Liability

Any liability arising out of any actual or alleged contractual liability of any "insured" under any express contract or agreement. This exclusion, however, shall not apply to the extent any liability does not arise under such express contract or agreement;

### G. ERISA, COBRA, WARN, OSHA and NLRA

Any liability arising out of the "insured's" failure to fulfill any responsibility, duty or obligation imposed by the Employment Retirement Income Security Act of 1974 (ERISA), Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), Workers' Adjustment and Retraining Notification Act, Public Law 100-379 (1988) (WARN), Occupational Safety and Health Act (OSHA), National Labor Relations Act of 1947 (NLRA), any rules or regulations of the foregoing promulgated thereunder, and amendments thereto or any similar provisions of any federal, state, or local statutory or common law. This exclusion, however, shall not apply to "loss" arising from a "claim" or "suit" for "retaliation";

### H. FLSA

Any liability arising out of any obligation under the Fair Labor Standards Act, or any violations of any federal, state, local or foreign statutory law or common law that governs the same topic or subject and any rules, regulations and amendments thereto (except the Equal Pay Act). This exclusion, however, shall not apply to "loss" arising from a "claim" or "suit" for "retaliation";

Any liability arising out of claims for unpaid wages or overtime pay for hours actually worked or labor actually performed by any "employee" of the "insured", for improper payroll deductions or any violations of any federal, state, local or foreign statutory law or common law that governs the same topic or subject and any rules, regulations and amendments thereto.

### I. Non-Monetary Relief

That part of any "claim" or "suit" seeking any non-monetary relief, including but not limited to: (1) injunctive relief; (2) declaratory relief; (3) disgorgement; (4) job reinstatement; (5) costs or expenses

incurred in accommodating any disabled person, pursuant to the Americans with Disabilities Act of 1990 (ADA), including amendments to that law or similar federal, state or local statutory or common law; (6) any liability or costs incurred in connection with any educational, sensitivity or other corporate program, policy or seminar relating to a "claim" or "suit" alleging discrimination or other "wrongful employment act"; or (7) other equitable remedies, including as to all of the above, the cost of compliance therewith; provided, however, if such request for non-monetary relief is part of an otherwise covered "claim" or "suit", "we" will not seek to allocate "defense costs" for the portion of the "claim" or "suit" seeking non-monetary relief;

**J. Certain "Insureds"**

Any "claim" or "suit" brought by any "insured". This exclusion, however, shall not apply to a "claim" or "suit" brought by an "employee" of the "insured", other than an "employee" who is or was a director of the "insured";

**K. Prior Knowledge**

Any liability arising out of incidents, circumstances or "wrongful employment acts", which an "insured", prior to the "original inception date" as shown in the Supplemental Declarations of this EPL Coverage Part, had knowledge or which an "insured" could have reasonably foreseen might result in a "claim" or "suit";

**L. Prior Notice**

Any liability arising out of the facts alleged, or to the same or "related wrongful employment acts" alleged or contained in any "claim" or "suit" which has been reported, or in any circumstances of which notice has been given, under any policy of which this EPL Coverage Part is a renewal or replacement or which it may succeed in time;

**M. Securities Holder**

Any "claim" or "suit" brought by a securities holder of the "insured" in their capacity as such, whether directly, derivatively on behalf of the "insured", or by class action;

**N. Outside Boards**

Any liability arising out of any actual or alleged act or omission of an "insured" serving in any capacity, other than as a director, officer or "employee" of the "insured" entity.

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**SECTION III. WHO IS AN INSURED**

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**A. Individual**

If "you" are shown in the Supplemental Declarations of this EPL Coverage Part as an individual, "you" and "your" spouse are "insureds", only for the conduct of a business of which "you" are the sole owner.

**B. Corporation**

If "you" are shown in the Supplemental Declarations of this EPL Coverage Part as a corporation or organization other than a partnership or joint venture, "you" and "your" "subsidiaries" are "insureds".

**C. Partnership or Joint Venture**

If "you" are shown in the Supplemental Declarations of this EPL Coverage Part as a partnership or joint venture, "you" are an "insured". "Your" partners or co-venturers and their spouses are also "insureds", but only for the conduct of "your" business.

**D. "Employees"**

"Your" "employees", executive officers and directors are "insureds", only for the conduct of "your" business within the scope of their employment or their duties as executive officers or directors.

**E. Extensions**

1. Subject otherwise to the terms hereof, this EPL Coverage Part shall cover "loss" arising from any "claims" or "suits" made against the estates, heirs, or legal representative of deceased individual "insureds", and the legal representatives of individual "insureds", in the event of incompetency, who were individual "insureds" at the time the "wrongful employment acts", upon which such "claims" or "suits" are based, were committed.
2. Subject otherwise to the terms hereof, this EPL Coverage Part shall cover "loss" arising from all "claims" and "suits" made against the lawful spouse (whether such status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) of an individual "insured", including a "claim" or "suit" that seeks damages recoverable from marital community property, property jointly held by the individual "insured" and the spouse, or property transferred from the individual "insured" to the spouse; provided, however, that this extension shall not afford coverage for a "claim" or "suit" arising out of any "wrongful employment act" of the spouse, but shall apply only to "claims" or "suits" arising out of any "wrongful employment acts" of an individual "insured", subject to this EPL Coverage Part's terms, conditions and exclusions.

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**SECTION IV. LIMIT OF LIABILITY  
(including "defense costs")**

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- A.** The Aggregate EPL Limit of Liability shown in the Supplemental Declarations of this EPL Coverage Part and the information contained in this section limits the most "we" shall pay for all "loss" arising out of "claims" and "suits" first made against "insureds" during the "EPL coverage period" or Extended Reporting Period (if applicable), regardless of:

1. the number of persons or organizations covered by this EPL Coverage Part; or
  2. the number of "claims" made or "suits" brought; or
  3. the length of the "EPL coverage period".
- B.** The Aggregate EPL Limit of Liability is the most "we" shall pay for all "losses" covered under this EPL Coverage Part, including amounts incurred for "defense costs".
- C.** The Aggregate EPL Limit of Liability for the Extended Reporting Period shall be part of, and not in addition to the Aggregate EPL Limit of Liability for the "EPL coverage period".
- D.** All "claims" and "suits" arising from the same or "related wrongful employment acts" shall be treated as arising out of a single "wrongful employment act".
- E.** All "claims" or "suits" arising out of one "wrongful employment act" shall be deemed to be made on the date that the first such "claim" is made or "suit" is brought. All "claims" asserted in a "class action suit" will be treated as arising out of a single "wrongful employment act".
- F.** Any "claim" or "suit" which is made subsequent to the "EPL coverage period" or Extended Reporting Period (if applicable) which, pursuant to Section VI, Clause D(3) and (4) is considered made during the "EPL coverage period" or Extended Reporting Period shall also be subject to the one Aggregate EPL Limit of Liability stated in the Supplemental Declarations of this EPL Coverage Part.

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## SECTION V. DEDUCTIBLE

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"You" shall be responsible for the deductible amount shown in the Supplemental Declarations of this EPL Coverage Part with respect to each "claim" and "suit" and "you" may not insure against it. A single deductible amount shall apply to "loss" arising from all "claims" and "suits" alleging the same "wrongful employment act" or "related wrongful employment acts". Expenses "we" incur in investigating, defending and settling "claims" and "suits" are included in the deductible. The deductible is not included within the Aggregate EPL Limit of Liability.

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## SECTION VI. CONDITIONS

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"We" have no duty to provide coverage under this EPL Coverage Part, unless there has been full compliance with all the Conditions contained in this EPL Coverage Part.

### A. Assignment

The interest of any "insured" is not assignable. "You" cannot assign or transfer "your" interest in this EPL Coverage Part without "our" written consent attached to the EPL Coverage Part.

### B. Bankruptcy or Insolvency

"Your" bankruptcy, insolvency or inability to pay, will not relieve "us" from the payment of any "claim" or "suit" covered by this EPL Coverage Part.

Under no circumstances will "your" bankruptcy, insolvency, or inability to pay require "us" to drop down, in any way replace, or assume any of "your" obligations with respect to the Deductible provisions of this EPL Coverage Part.

### C. Coverage Territory

"We" cover "wrongful employment acts" in the United States of America, its territories and possessions, Puerto Rico, or Canada, but only if the "claim" is made and the "suit" is brought for such "wrongful employment act" in the United States of America, its territories and possessions, Puerto Rico, or Canada.

### D. Duties in the Event of an Incident, 'Claim' or 'Suit'

1. If, during the "EPL coverage period", incidents or events occur which "you" reasonably believe may give rise to a "claim" or "suit" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with EEOC, DOL or OFCCP (or similar federal, state or local agency); or upon a contemporaneously made memorandum of an oral "claim", allegation or threat, "you" shall give written notice to "us" as soon as practicable and either:
  - a. anytime during the "EPL coverage period" or the Extended Reporting Period (if applicable); or
  - b. within thirty (30) days after the end of the "EPL coverage period" or Extended Reporting Period (if applicable), as long as such "claim" or "suit" is reported no later than thirty (30) days after the date such "claim" or "suit" was first made against an "insured".
2. If a "claim" is made or a "suit" is brought against any "insured", "you" must:
  - a. Immediately record the specifics of the "claim" or "suit" and the date received; and
  - b. Provide "us" with written notice, as described in subsection 3. below, as soon as practicable.
3. Such written notice of "claim" or "suit" shall contain:
  - a. The identity of the person(s) alleging a "wrongful employment act";
  - b. The identity of the "insured(s)" who allegedly were involved in the incidents or events;
  - c. The date the alleged incidents or events took place; and
  - d. The written notice or contemporaneously prepared memorandum referred to above.

If written notice is given to "us" during the "EPL coverage period" or Extended Reporting Period (if applicable), pursuant to the above requirements, then any "claim" or "suit" which is subsequently made against any "insureds" and reported to "us" alleging, arising out of, based upon or attributable to such circumstances or alleging any "related wrongful employment act" to such circumstances, shall be considered made at the time such notice of such circumstances was first given.

4. If "you" submit written notice of a "claim" or "suit", pursuant to this Clause D, then any "claim" or "suit" that may subsequently be made against an "insured" and reported to "us" alleging the same or a "related wrongful employment act" to the "claim" or "suit" for which such notice has been given shall be deemed, for the purpose of this insurance, to have been first made during the "EPL coverage period" in effect at the time such written notice was first submitted to "us".
5. "You" and any other "insured" must:
  - a. Immediately send "us" copies of any demands, notices, summonses or legal papers received in connection with any "claim" or "suit";
  - b. Authorize "us" to obtain records and other information;
  - c. Cooperate with "us" in the investigation, settlement or defense of the "claim" or "suit";
  - d. Assist "us", upon "our" request, in the enforcement of any right against any person or organization which may be liable to the "insured" because of injury or damage to which this insurance may also apply;
  - e. Take no action, or fail to take any required action, that prejudices the rights of the "insureds" or "us" with respect to such "claim" or "suit".
6. No "insureds" will, except at their own cost, voluntarily make a payment, assume any obligation, or incur any expense without "our" prior written consent.

#### **E. Transfer of Rights of Recovery Against Others to "Us"**

"You" may be able to recover all or part of a "loss" from someone other than "us". "You", therefore, shall do all that is possible after a "loss" to preserve any such right of recovery. If "we" make a payment under this EPL Coverage Part, that right of recovery shall belong to "us". "You" shall do whatever is necessary, including signing documents, to help "us" obtain that recovery.

#### **F. Extended Reporting Period**

1. Solely with respect to this EPL Coverage Part and except as indicated below, if "you" shall cancel or "we" shall cancel for any reason other than for non-payment of premium, or "you" or "we" shall refuse to renew this EPL Coverage Part, "you" shall have the right, upon payment of an additional premium of 175% of the full annual premium applicable to this EPL Coverage Part, to buy an Extended Reporting Period Endorsement, providing an Extended Reporting Period of three (3) years following the effective date of the cancellation or nonrenewal, in which to give "us" written notice of "claims" first made or "suits" first brought against the "insureds" during said Extended Reporting Period for any "wrongful employment acts" which take place after the "original inception date" and before the end of the "EPL coverage period" and are otherwise covered by this EPL Coverage Part.

To obtain an Extended Reporting Period Endorsement, "you" must request it in writing and pay the additional premium due, within thirty (30) days of the effective date of cancellation or non-renewal.

2. The Extended Reporting Period Endorsement cannot be canceled by either party, except for nonpayment of premium. The additional premium for the Extended Reporting Period shall be fully earned at the inception of the Extended Reporting Period and this EPL Coverage Part cannot be cancelled after such additional premium is paid. If "we" do not receive the written request as required, "you" may not exercise this right at a later date.
3. This insurance, provided during the Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Extended Reporting Period Endorsement becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.
4. This Clause F and the rights contained herein shall not apply to any cancellation resulting from non-payment of premium.
5. In the event of a "Transaction", as defined in Clause G below, the "named insured" shall have the right, within thirty (30) days before the end of the "EPL coverage period", to request an offer from "us" of an Extended Reporting Period (with respect to "wrongful employment acts" which take place after the "original inception date" and prior to the effective time of the "Transaction"). We shall offer such Extended Reporting Period pursuant to such terms, conditions, and premium as we may reasonably decide. In the event of a "Transaction", the right to an Extended Reporting Period shall not otherwise exist except as indicated in this paragraph.

### G. Change in Control of "Named Insured"

If during the "EPL coverage period":

1. the "named insured" shall consolidate with or merge into, or sell all or substantially all of its assets to any other person or entity or group of persons or entities acting in concert; or
2. any person or entity or group of persons or entities acting in concert shall acquire an amount of the outstanding securities representing more than fifty (50%) percent of the voting power for the election of directors or General Partners of the "named insured" (in the event the "named insured" is a Partnership), or acquires the voting rights of such an amount of such securities; or
3. a General Partner of the "named insured" (in the event the "named insured" is a partnership) withdraws, resigns or is terminated;

*(any of the above events herein referred to as the "Transaction"),*

then this EPL Coverage Part shall continue in full force and effect as to "wrongful employment acts" occurring after the "original inception date" and prior to the effective time of the "Transaction", but there shall be no coverage afforded by any provision of this EPL Coverage Part for any actual or alleged "wrongful employment acts" occurring after the effective time of the "Transaction". This EPL Coverage Part may not be canceled after the effective time of the "Transaction" and the entire premium for this EPL Coverage Part shall be deemed earned as of such time. "You" shall also have the right to an offer by "us" of an Extended Reporting Period described in Clause F of this EPL Coverage Part.

"You" shall give "us" written notice of the "Transaction" as soon as practicable, but not later than thirty (30) days after the effective date of the "Transaction".

### H. Legal Action Against "Us"

No person or organization has the right to join "us" as a party or otherwise bring "us" into a "suit" asking for damages from an "insured".

### I. Other Insurance

Unless expressly written to be excess over other applicable insurance, it is intended that the insurance provided by this EPL Coverage Part shall be primary.

### J. EPL Coverage Part Changes

This EPL Coverage Part contains all the agreements between "you" and "us" concerning this insurance. The first "named insured" in the Supplemental Declarations of this EPL Coverage Part is authorized to request changes in this EPL Coverage Part. This EPL Coverage Part can only be changed by a written endorsement "we" issue and make part of this EPL Coverage Part.

### K. Representations

Any and all relevant provisions of this EPL Coverage Part may be voidable by "us" in any case of fraud, intentional concealment, or misrepresentation of material fact by any "insured".

### L. Special Rights and Duties of the "Named Insured"

"You" agree that when there is more than one person and/or entity covered under this EPL Coverage Part, the first "named insured" in the Supplemental Declarations of this EPL Coverage Part shall act on behalf of all "insureds" as to:

1. Giving of notice of a "claim" or "suit";
2. Giving and receiving notice of cancellation or nonrenewal;
3. Payment of premiums and receipt of return premiums;
4. Acceptance of any endorsements issued to form a part of this EPL Coverage Part; or
5. Purchasing or deciding not to purchase the Extended Reporting Period Endorsement.

### M. Headings

The descriptions in the headings of this EPL Coverage Part are solely for convenience, and form no part of the terms and conditions of coverage.

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## SECTION VII. DEFINITIONS

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- A. "Bodily injury" means physical injury, sickness, or disease, including death resulting therefrom.
- B. "Claim" means a written demand for money. The term "claim" shall also mean an Equal Employment Opportunity Commission (EEOC), Department of Labor (DOL) or Office of Federal Contract Compliance Program (OFCCP) (or similar federal, state or local agency) proceeding or investigation commenced by the filing of a notice of charges, service of a complaint or similar document of which notice has been given to "you". However, in no event, shall the term "claim" include any labor or grievance proceeding, which is subject to a collective bargaining agreement.
- C. "Class Action Suit" means any suit seeking certification or certified as a class action by a federal or state court.
- D. "Defense Costs" means reasonable and necessary fees, costs and expenses consented to by "us" resulting solely from the investigation, adjustment, defense and appeal of a "claim" or "suit" against "you".
- E. "Employee" means an individual whose labor or service is engaged by and directed by "you" for remuneration.



neration, whether such individual is in a supervisory, co-worker or subordinate position or otherwise, including any part-time, seasonal, and temporary "employees". Independent contractors and individuals who are leased to the "insured" are not "employees".

- F. "Loss(es)" means damages (including front pay and back pay), judgments, settlements, pre- and post-judgment interest on that part of any judgment paid by "us", statutory attorney fees, and "defense costs"; however, "loss" shall not include: (1) civil or criminal fines or penalties imposed by law; (2) punitive or exemplary damages; (3) the multiplied portion of multiplied damages; (4) taxes; (5) any amount for which the "insureds" are not financially liable or which are without legal recourse to the "insureds"; (6) employment related benefits, stock options, perquisites, deferred compensation or any other type of compensation other than salary, wages or bonus compensation; or (7) matters which may be deemed uninsurable under the law pursuant to which this EPL Coverage Part shall be construed.
- G. "Named Insured" means the person or organization designated in the Supplemental Declarations page of this EPL Coverage Part.
- H. "Original inception date" refers to the date specified in the Supplemental Declarations of this EPL Coverage Part.
- I. "EPL coverage period" means the period commencing on the effective date shown in the Supplemental Declarations of this EPL Coverage Part. This period ends on the earlier of the expiration date or the effective date of cancellation of this EPL Coverage Part. If "you" became an "insured" under this EPL Coverage Part after the effective date, the "EPL coverage period" begins on the date "you" became an "insured".
- J. "Property Damage" means physical injury to, or destruction of, tangible property including the loss of use of thereof, or loss of use of tangible property, which has not been physically injured or destroyed.
- K. "Recognized volunteer" means an uncompensated individual who volunteers labor or services to "you", but only when performing such labor or services at the request of and under the direction of "you".
- L. "Related Wrongful Employment Act(s)" means "wrongful employment acts" which are the same, related or continuous, or "wrongful employment acts" which arise from a common nucleus of facts. "Claims" or "suits" can allege "related wrongful employment acts", regardless of whether such "claims" or "suits" involve the same or different claimants, "insureds" or legal causes of actions.
- M. "Retaliation" means a "wrongful employment act" of an "insured" alleged to be in response to, the actual or attempted exercise by an "employee" of any right that such "employee" has under the law. Provided, however, "retaliation" shall not include the "wrongful employment act" of an "insured" alleged to be in response to the threat of or the actual filing of any

claim or suit under the Federal False Claims Act or any other federal, state, local or foreign "whistleblower law".

**N. "Subsidiary" means:**

1. Any for-profit organization which, on or before the inception of the "EPL coverage period", is more than 50% owned by the "named insured", either directly or indirectly through one or more of its "subsidiaries"; or
2. A for-profit organization which becomes a "subsidiary" during the "EPL coverage period", but only upon the condition that within 90 days of its becoming a "subsidiary", the "named insured" shall have provided "us" with full particulars of the new "subsidiary" and agreed to any additional premium or amendment of the provisions of this EPL Coverage Part required by "us" relating to such new "subsidiary". Further, coverage as shall be afforded to the new "subsidiary" is conditioned upon the "named insured" paying when due any additional premium required by "us" relating to such new "subsidiary".

An organization becomes a "subsidiary" when the "named insured" owns more than fifty (50%) percent ownership interest in such "subsidiary", either directly, or indirectly through one or more of its "subsidiaries". An organization ceases to be a "subsidiary" when the "named insured" ceases to own more than a fifty (50%) percent ownership interest in such "subsidiary", either directly, or indirectly through one or more of its "subsidiaries".

In all events, coverage as is afforded under this EPL Coverage Part with respect to a "claim" made or "suit" brought against any "subsidiary" or an "insured" of any "subsidiary", shall only apply to "wrongful employment act(s)" commenced or allegedly commenced after the effective time that such "subsidiary" became a "subsidiary", and prior to the time that such "subsidiary" ceased to be a "subsidiary".

- O. "Suit" means a civil proceeding or an administrative proceeding seeking money damages, and includes an arbitration, mediation or any other alternative dispute resolution procedure seeking such damages, to which the "insured" must submit or may submit with "our" consent. "Suit" shall not include any civil proceeding or administrative proceeding arising from any labor or grievance dispute which is subject to a collective bargaining agreement.
- P. "Whistleblower law" means a statute, rule or regulation, which protects an employee against discrimination from his or her employer, if the employee discloses or threatens to disclose to a superior or any governmental agency; or who gives testimony relating to, any action with respect to the employer's operations, which may be a violation of public policy as reflected in legislation, administrative rules, regula-

tions or decisions, judicial decisions, and professional codes of ethics.

**Q.** "Wrongful Employment Act(s)" means any actual or alleged:

1. wrongful dismissal, discharge or termination (either actual or constructive), including breach of an implied contract;
2. harassment (including sexual harassment, whether quid pro quo, hostile work environment or otherwise);
3. discrimination (including but not limited to discrimination based upon age, gender, race, color, national origin, religion, sexual orientation or preference, pregnancy or disability);
4. "retaliation" (including lockouts);
5. employment-related misrepresentation(s) to "your" "employee" or applicant for employment with "you";
6. employment-related libel, slander, humiliation, mental anguish, infliction of emotional distress, defamation, or invasion of privacy;

7. wrongful failure to employ or promote;
8. wrongful deprivation of career opportunity, wrongful demotion or negligent "employee" evaluation, including the giving of negative or defamatory statements in connection with an "employee" reference;
9. wrongful discipline;
10. failure to grant tenure;
11. failure to provide or enforce adequate or consistent corporate policies and procedures relating to any "wrongful employment act";
12. negligent supervision or hiring by an "insured", relating to any of the above;
13. violation of an individual's civil rights relating to any of the above.

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

## **EMPLOYMENT-RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

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

**B. The following exclusion is added to Paragraph 2., Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

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

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

## **FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expenses arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

**B. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Fungi Or Bacteria**

- a. "Personal and advertising injury" which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

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

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.

# **GNY INSURANCE COMPANIES**

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

## **ASBESTOS HAZARD EXCLUSION ENDORSEMENT**

This endorsement modifies such insurance as is afforded by the provisions of the policy related to the following:

BUSINESSOWNERS COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

It is understood and agreed that such insurance as is afforded by this policy is subject to the following additional exclusion:

A. This policy does not apply:

1. to "bodily injury", "property damage" or "personal and advertising injury" arising out of the "asbestos hazard"; or
2. to any loss, cost or expense arising out of any governmental direction or request that the Named Insured test for, monitor, clean up, remove, treat or neutralize "asbestos".

B. **ADDITIONAL DEFINITIONS**

1. Asbestos hazard means:
  - a. an actual exposure or threat of exposure to the harmful properties of "asbestos"; or
  - b. the presence of "asbestos" in any place, whether or not within a building or structure.
2. Asbestos means the mineral in any form, including but not limited to fibers or dust.

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

## **CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

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

- A.** If aggregate insured losses attributable to terrorist acts certified under the federal 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.
- "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 terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.

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

## **MARYLAND – CONDOMINIUMS**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

1. **Section II – Who Is An Insured** is amended to include the following as an insured:

a. The developer in the developer's capacity as a unit-owner, but only with respect to the developer's liability arising out of:

- (1) The ownership, maintenance or repair of that portion of the premises which is not owned solely by the developer; or
- (2) The developer's membership in the association.

However, the insurance afforded with respect to the developer does not apply to liability for acts or omissions as a developer.

b. Each other unit-owner of the described condominium, but only with respect to that person's liability arising out of the ownership, maintenance or repair of that portion of the premises which is not owned solely by the unit-owner or out of that person's membership in the association.

2. The following is added to Condition **8. Transfer Of Rights Of Recovery Against Others To Us (Section IV – Commercial General Liability Conditions)**:

We waive any rights which the Transfer Of Rights Of Recovery Against Others To Us Condition may give us against:

a. Any unit-owner, including the developer, and household members;

b. The association; and

c. Members of the board of directors for acts or omissions within the scope of their duties for you.

We reserve our right, however, to recover against the developer for acts or omissions that the developer may be liable for in the capacity as a developer.

3. The following condition is added to **Section IV – Commercial General Liability Conditions**:

#### **Acts Or Omissions By Unit-owners**

No act or omission by any unit-owner, unless acting within the scope of the unit-owner's authority on behalf of the association, will void the policy or be a condition to recovery under the policy.

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

**EXCLUSION – ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY – LIMITED BODILY INJURY  
EXCEPTION NOT INCLUDED**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.p. of Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:
- 2. Exclusions**
- This insurance does not apply to:
- p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**
- Damages arising out of:
- (1)** Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
  - (2)** The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.
- This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph **(1)** or **(2)** above.
- As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- B. The following is added to Paragraph 2. Exclusions of Section I – Coverage B – Personal And Advertising Injury Liability:**
- 2. Exclusions**
- This insurance does not apply to:
- Access Or Disclosure Of Confidential Or Personal Information**
- "Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.
- This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.



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

## **EXCLUSION – UNMANNED AIRCRAFT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. Exclusion 2.g. Aircraft, Auto Or Watercraft** under **Section I – Coverage A – Bodily Injury And Property Damage Liability** is replaced by the following:

**2. Exclusions**

This insurance does not apply to:

**g. Aircraft, Auto Or Watercraft**

**(1) Unmanned Aircraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This Paragraph **g.(1)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

**(2) Aircraft (Other Than Unmanned Aircraft), Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This Paragraph **g.(2)** applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft (other than "unmanned aircraft"), "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This Paragraph **g.(2)** does not apply to:

- (a)** A watercraft while ashore on premises you own or rent;
- (b)** A watercraft you do not own that is:
  - (i)** Less than 26 feet long; and
  - (ii)** Not being used to carry persons or property for a charge;
- (c)** Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (d)** Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(e) "Bodily injury" or "property damage" arising out of:

(i) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(ii) The operation of any of the machinery or equipment listed in Paragraph **f.(2)** or **f.(3)** of the definition of "mobile equipment".

**B.** The following exclusion is added to Paragraph **2. Exclusions of Coverage B – Personal And Advertising Injury Liability**:

**2. Exclusions**

This insurance does not apply to:

**Unmanned Aircraft**

"Personal and advertising injury" arising out of the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft". Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the ownership, maintenance, use or entrustment to others of any aircraft that is an "unmanned aircraft".

This exclusion does not apply to:

a. The use of another's advertising idea in your "advertisement"; or

b. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

**C.** The following definition is added to the **Definitions** section:

"Unmanned aircraft" means an aircraft that is not:

1. Designed;

2. Manufactured; or

3. Modified after manufacture;

to be controlled directly by a person from within or on the aircraft.

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

**EXCLUSION – DESIGNATED OPERATIONS COVERED BY  
A CONTROLLED (WRAP-UP) INSURANCE PROGRAM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

|  |
|--|
| <p><b>Description And Location(s) Of Operation(s):</b><br/> AS SHOWN ON DESIGNATION OF PREMISES SCHEDULE (GNY 002)</p> |
| <p>Information required to complete this Schedule, if not shown above, will be shown in the Declarations.</p>          |

**A. The following exclusion is added to Paragraph 2. Exclusions of Section I – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to "bodily injury" or "property damage":

1. Arising out of your ongoing operations; or
2. Included in the "products-completed operations hazard";

at the location(s) described in the Schedule of this endorsement, but only if you are enrolled in a "controlled (wrap-up) insurance program" with respect to the "bodily injury" or "property damage" described in Paragraphs **A.1.** and **A.2.** above at such location(s).

This exclusion applies whether or not the "controlled (wrap-up) insurance program":

- a. Provides coverage identical to that provided by this Coverage Part;

- b. Has limits adequate to cover all claims; or
- c. Remains in effect.

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

"Controlled (wrap-up) insurance program" means a centralized insurance program under which one party has secured either insurance or self-insurance covering some or all of the contractors or subcontractors performing work on one or more specific project(s).

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

## **EXCLUSION – CROSS SUITS LIABILITY**

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A.** The following exclusion is added to Paragraph 2. **Exclusions of Section I – Coverages – Coverage A – Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

#### **Cross Suits**

Any claim made or "suit" brought by any Named Insured under this Policy against another Named Insured under this Policy for damages because of "bodily injury" or "property damage".

- B.** The following is added to Paragraph 2. **Exclusions of Section I – Coverages – Coverage B – Personal And Advertising Injury Liability:**

This insurance does not apply to:

#### **Cross Suits**

Any claim made or "suit" brought by any Named Insured under this Policy against another Named Insured under this Policy for damages because of "personal and advertising injury".

POLICY NUMBER: 6119M36270

COMMERCIAL AUTO

## INSURANCE COMPANY OF GREATER NEW YORK BUSINESS AUTO DECLARATIONS

**ITEM ONE**

|   |
|---|
| <b>PRODUCER:</b><br>SCHOENFELD INSURANCE AGENCY |
|---|

**NAMED INSURED:** STRATHMORE TOWER CONDOMINIUM, INC.

**MAILING ADDRESS:** C/O TIDEWATER PROPERTY MGMT  
3600 CRONDALL LN STE 100  
OWINGS MILLS, MD 21117-2233

**POLICY PERIOD:** From 07-01-2022 to 07-01-2023 at 12:01 A.M. Standard Time at your mailing address shown above

**PREVIOUS POLICY NUMBER:** 6119M36270

**FORM OF BUSINESS:**

CORPORATION                     
  LIMITED LIABILITY COMPANY (LLC)                     
  INDIVIDUAL  
 PARTNERSHIP                             
  OTHER \_\_\_\_\_

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: \$ 1,727.00 |          |               |           |         |  |
| AUDIT PERIOD (IF APPLICABLE)                       | ANNUALLY | SEMI-ANNUALLY | QUARTERLY | MONTHLY |  |

**ENDORSEMENTS ATTACHED TO THIS POLICY:**

- IL 00 17 – Common Policy Conditions (IL 01 46 in Washington)
- IL 00 21 – Broad Form Nuclear Exclusion (not Applicable in New York) (IL 01 98 in Washington)

**SEE SCHEDULE OF FORMS AND ENDORSEMENTS**

---

COUNTERSIGNED \_\_\_\_\_ BY \_\_\_\_\_

(Date) (Authorized Representative)

**ITEM TWO**

**Schedule Of Coverages And Covered Autos**

This Policy provides only those coverages where a charge is shown in the premium column below. Each of these coverages will apply only to those "autos" shown as covered "autos". **"Autos" are shown as covered "autos" for a particular coverage by the entry of one or more of the symbols from the Covered Autos section of the Business Auto Coverage Form next to the name of the coverage.**

| COVERAGES  | COVERED AUTOS | LIMIT OR DEDUCTIBLE  | PREMIUM |
|--|---------------|--|---------|
| COVERED AUTOS LIABILITY  |               |  |         |
| PERSONAL INJURY PROTECTION (or equivalent No-fault Coverage)               |               | SEPARATELY STATED IN EACH P.I.P. ENDORSEMENT MINUS DEDUCTIBLE.   |         |
| ADDED PERSONAL INJURY PROTECTION (or equivalent Added No-fault Coverage)   |               | SEPARATELY STATED IN EACH ADDED P.I.P. ENDORSEMENT.  |         |
| PROPERTY PROTECTION INSURANCE (Michigan only)                              |               | SEPARATELY STATED IN THE PROPERTY PROTECTION INSURANCE ENDORSEMENT MINUS DEDUCTIBLE FOR EACH ACCIDENT. |         |
| AUTO MEDICAL PAYMENTS  |               | EACH INSURED   |         |
| MEDICAL EXPENSE AND INCOME LOSS BENEFITS (Virginia only)                   |               | SEPARATELY STATED IN THE MEDICAL EXPENSE AND INCOME LOSS BENEFITS ENDORSEMENT.                         |         |
| UNINSURED MOTORISTS  |               |  |         |
| UNDERINSURED MOTORISTS (When not included in Uninsured Motorists Coverage) |               |  |         |

**ITEM TWO**  
**Schedule Of Coverages And Covered Autos (Cont'd)**

|  |   |  |             |
|--|---|--|-------------|
| PHYSICAL DAMAGE<br>COMPREHENSIVE<br>COVERAGE               | 7 | <p style="text-align: center;">DEDUCTIBLE<br/>FOR EACH COVERED AUTO FOR LOSS<br/>CAUSED BY THEFT OR MISCHIEF OR<br/>VANDALISM<br/>(A maximum deductible may also apply.<br/>Refer to Coverage Form for details.)</p> <p style="text-align: center;">OR</p> <p>SEE SCHEDULE DEDUCTIBLE<br/>FOR ALL PERILS FOR EACH COVERED AUTO<br/>(A maximum deductible may also apply.<br/>Refer to Coverage Form for details.)</p> <p>See ITEM FOUR For Hired or Borrowed Autos.</p>                |             |
| PHYSICAL DAMAGE<br>SPECIFIED<br>CAUSES OF LOSS<br>COVERAGE |   | <p style="text-align: center;">DEDUCTIBLE<br/>FOR EACH COVERED AUTO FOR LOSS<br/>CAUSED BY THEFT OR MISCHIEF OR<br/>VANDALISM<br/>(A maximum deductible may also apply.<br/>Refer to Coverage Form for details.)</p> <p style="text-align: center;">OR</p> <p style="text-align: center;">DEDUCTIBLE<br/>FOR ALL PERILS FOR EACH COVERED AUTO<br/>(A maximum deductible may also apply.<br/>Refer to Coverage Form for details.)</p> <p>See ITEM FOUR For Hired or Borrowed Autos.</p> |             |
| PHYSICAL DAMAGE<br>COLLISION COVERAGE                      | 7 | <p>SEE SCHD DEDUCTIBLE<br/>FOR EACH COVERED AUTO.</p> <p>See ITEM FOUR For Hired Or Borrowed Autos.</p>  |             |
| PHYSICAL DAMAGE<br>TOWING AND LABOR                        |   | <p style="text-align: center;">FOR EACH DISABLEMENT<br/>OF A PRIVATE PASSENGER AUTO, LIGHT OR<br/>MEDIUM TRUCK</p>   |             |
| <b>TAX/ SURCHARGE/ FEE</b>                                 |   |  |             |
| <b>PREMIUM FOR ENDORSEMENTS</b>                            |   |  | \$ 1,727    |
| <b>*ESTIMATED TOTAL PREMIUM</b>                            |   |  | \$ 1,727.00 |

\*This Policy may be subject to final audit.

## BUSINESS AUTO 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 V – Definitions.

### SECTION I – COVERED AUTOS

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos". The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

#### A. Description Of Covered Auto Designation Symbols

| Symbol | Description Of Covered Auto Designation Symbols               |   |
|--------|---|---|
| 1      | Any "Auto"  |   |
| 2      | Owned "Autos" Only  | Only those "autos" you own (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.   |
| 3      | Owned Private Passenger "Autos" Only                          | Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.   |
| 4      | Owned "Autos" Other Than Private Passenger "Autos" Only       | Only those "autos" you own that are not of the private passenger type (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.  |
| 5      | Owned "Autos" Subject To No-fault                             | Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.                  |
| 6      | Owned "Autos" Subject To A Compulsory Uninsured Motorists Law | Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.       |
| 7      | Specifically Described "Autos"                                | Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Covered Autos Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).  |
| 8      | Hired "Autos" Only  | Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.  |
| 9      | Non-owned "Autos" Only  | Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs. |



|           |  |   |
|-----------|--|---|
| <b>19</b> | Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only | Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged. |
|-----------|--|---|

**B. Owned Autos You Acquire After The Policy Begins**

1. If Symbols **1, 2, 3, 4, 5, 6** or **19** are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol **7** is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

**C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos**

If Covered Autos Liability Coverage is provided by this Coverage Form, the following types of vehicles are also covered "autos" for Covered Autos Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

**SECTION II – COVERED AUTOS LIABILITY COVERAGE**

**A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos". However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Covered Autos Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

**1. Who Is An Insured**

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto".

This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

- (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
- (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
- (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
- (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.

c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

## 2. Coverage Extensions

### a. Supplementary Payments

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

### b. Out-of-state Coverage Extensions

While a covered "auto" is away from the state where it is licensed, we will:

- (1) Increase the Limit of Insurance for Covered Autos Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

## B. Exclusions

This insurance does not apply to any of the following:

### 1. Expected Or Intended Injury

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured".

### 2. Contractual

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

### 3. Workers' Compensation

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

#### 4. Employee Indemnification And Employer's Liability

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

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

But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract". For the purposes of the Coverage Form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

#### 5. Fellow Employee

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

#### 6. Care, Custody Or Control

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

#### 7. Handling Of Property

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or

- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

#### 8. Movement Of Property By Mechanical Device

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

#### 9. Operations

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

#### 10. Completed Operations

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraph a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed;
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site; or
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

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

#### 11. Pollution

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

#### 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

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

#### 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

#### C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit Of Insurance for Covered Autos Liability Coverage shown in the Declarations.

All "bodily injury", "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

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

### **SECTION III – PHYSICAL DAMAGE COVERAGE**

#### **A. Coverage**

1. We will pay for "loss" to a covered "auto" or its equipment under:

##### **a. Comprehensive Coverage**

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

##### **b. Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto".

##### **c. Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### **2. Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

### **3. Glass Breakage – Hitting A Bird Or Animal – Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

### **4. Coverage Extensions**

#### **a. Transportation Expenses**

We will pay up to \$20 per day, to a maximum of \$600, for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

#### **b. Loss Of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicates that Comprehensive Coverage is provided for any covered "auto";
- (2) Specified Causes Of Loss only if the Declarations indicates that Specified Causes Of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicates that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

## B. Exclusions

1. We will not pay for "loss" caused 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. **Nuclear Hazard**
    - (1) The explosion of any weapon employing atomic fission or fusion; or
    - (2) Nuclear reaction or radiation, or radioactive contamination, however caused.
  - b. **War Or 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.
2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.
3. We will not pay for "loss" due and confined to:
  - a. Wear and tear, freezing, mechanical or electrical breakdown.
  - b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".
4. We will not pay for "loss" to any of the following:
  - a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.

- b. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors, and any jamming apparatus intended to elude or disrupt speed-measuring equipment.

- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.

- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";

- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";

- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or

- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

## C. Limits Of Insurance

1. The most we will pay for:

- a. "Loss" to any one covered "auto" is the lesser of:

- (1) The actual cash value of the damaged or stolen property as of the time of the "loss"; or

- (2) The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.

- b. All electronic equipment that reproduces, receives or transmits audio, visual or data signals in any one "loss" is \$1,000, if, at the time of "loss", such electronic equipment is:

- (1) Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;

- (2) Removable from a permanently installed housing unit as described in Paragraph **b.(1)** above; or
  - (3) An integral part of such equipment as described in Paragraphs **b.(1)** and **b.(2)** above.
2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
  3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

**D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

**SECTION IV – BUSINESS AUTO CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

**A. Loss Conditions**

**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value 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 we submit to an appraisal, we will still retain our right to deny the claim.

**2. Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;

- (2) The "insured's" name and address; and
- (3) To the extent possible, the names and addresses of any injured persons and witnesses.

**b. Additionally, you and any other involved "insured" must:**

- (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
- (4) Authorize us to obtain medical records or other pertinent information.
- (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

**c. If there is "loss" to a covered "auto" or its equipment, you must also do the following:**

- (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
- (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
- (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
- (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

**3. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Form until:

- a. There has been full compliance with all the terms of this Coverage Form; and
- b. Under Covered Autos Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

#### **4. Loss Payment – Physical Damage Coverages**

At our option, we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

#### **5. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

### **B. General Conditions**

#### **1. Bankruptcy**

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this Coverage Form.

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

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

- a. This Coverage Form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or
- d. A claim under this Coverage Form.

#### **3. Liberalization**

If we revise this Coverage Form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

#### **4. No Benefit To Bailee – Physical Damage Coverages**

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this Coverage Form.

#### **5. Other Insurance**

- a. For any covered "auto" you own, this Coverage Form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this Coverage Form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Covered Autos Liability Coverage this Coverage Form provides for the "trailer" is:

(1) Excess while it is connected to a motor vehicle you do not own; or

(2) Primary while it is connected to a covered "auto" you own.

- b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Covered Autos Liability Coverage is primary for any liability assumed under an "insured contract".

- d. When this Coverage Form and any other Coverage Form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our Coverage Form bears to the total of the limits of all the Coverage Forms and policies covering on the same basis.

#### **6. Premium Audit**

- a. The estimated premium for this Coverage Form is based on the exposures you told us you would have when this policy began. We will compute the final premium due when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

- b. If this policy is issued for more than one year, the premium for this Coverage Form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.



## 7. Policy Period, Coverage Territory

Under this Coverage Form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico;
- (4) Canada; and
- (5) Anywhere in the world if a covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less,

provided that the "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

## 8. Two Or More Coverage Forms Or Policies Issued By Us

If this Coverage Form and any other Coverage Form or policy issued to you by us or any company affiliated with us applies to the same "accident", the aggregate maximum Limit of Insurance under all the Coverage Forms or policies shall not exceed the highest applicable Limit of Insurance under any one Coverage Form or policy. This condition does not apply to any Coverage Form or policy issued by us or an affiliated company specifically to apply as excess insurance over this Coverage Form.

### SECTION V – DEFINITIONS

- A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".
- B. "Auto" means:
  1. A land motor vehicle, "trailer" or semitrailer designed for travel on public roads; or

2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these.
- D. "Covered pollution cost or expense" means any cost or expense arising out of:
  1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
  2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";
- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or
- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph **a.** above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraph **6.b.** or **6.c.** of the definition of "mobile equipment".

Paragraphs **b.** and **c.** above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

- E.** "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".
- F.** "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
- G.** "Insured" means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.
- H.** "Insured contract" means:
1. A lease of premises;
  2. A sidetrack agreement;
  3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;

5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
  - b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.
- I.** "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".
- J.** "Loss" means direct and accidental loss or damage.
- K.** "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:
1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
  2. Vehicles maintained for use solely on or next to premises you own or rent;
  3. Vehicles that travel on crawler treads;

4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a. Equipment designed primarily for:
    - (1) Snow removal;
    - (2) Road maintenance, but not construction or resurfacing; or
    - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
  - c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "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.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:
  1. Damages because of "bodily injury" or "property damage"; or
  2. A "covered pollution cost or expense";
 to which this insurance applies, are alleged.  
 "Suit" includes:
  - a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
- P. "Trailer" includes semitrailer.

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

## **MARYLAND CANCELLATION CHANGES**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. The Cancellation Common Policy Condition is changed as follows:**

1. Paragraph 2. is replaced by the following:

**a.** When this Policy has been in effect for 45 days or less and is not a renewal policy, we may cancel this Policy by mailing to the first Named Insured at the last mailing address known to us written notice of cancellation, stating the reason for cancellation, at least:

**(1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium.

**(2)** 15 days before the effective date of cancellation if we cancel because the risk does not meet our underwriting standards.

**b.** When this Policy has been in effect for more than 45 days or is a renewal policy, we may cancel this Policy by mailing to the first Named Insured at the last mailing address known to us written notice of cancellation at least:

**(1)** 10 days before the effective date of cancellation if we cancel for nonpayment of premium.

**(2)** 45 days before the effective date of cancellation if we cancel for a permissible reason other than nonpayment of premium, stating the reason for cancellation. Under this Paragraph **(2)**, we may cancel only for one or more of the following reasons:

**(a)** When there exists material misrepresentation or fraud in connection with the application, policy or presentation of a claim.

**(b)** A change in the condition of the risk that results in an increase in the hazard insured against.

**(c)** A matter or issue related to the risk that constitutes a threat to public safety.

**(d)** If the Named Insured's driver's license or motor vehicle registration, or that of a driver insured under the Coverage Form, has been suspended or revoked during the policy period as a result of the "insured's" driving record.

If we cancel pursuant to Paragraph **b.(2)**, you may request additional information on the reason for cancellation within 30 days from the date of our notice.

2. Paragraph 3. does not apply.
3. Paragraph 5. is replaced by the following:

If this Policy is cancelled, we will send the first Named Insured any premium refund due.

- a. The refund will be pro rata if:
  - (1) We cancel; or
  - (2) The Policy is not a renewal policy, and the first Named Insured cancels upon receiving written notice that we recalculated the premium based on the discovery of a material risk factor during the first 45 days the Policy has been in effect.

- b. If the first Named Insured cancels, other than the cancellation described in Paragraph a.(2), the refund will be calculated as follows:

**(1) Policies Written For One Year Or Less**

We will refund 90% of the pro rata unearned premium.

**(2) Policies Written For More Than One Year**

- (a) If the Policy is cancelled in the first year, we will refund 90% of the pro rata unearned premium for the first year, plus the full annual premium for subsequent years.
- (b) If the Policy is cancelled after the first year, we will refund the pro rata unearned premium.

**(3) Continuous And Annual Premium Payment Policies**

We will refund 90% of the pro rata unearned premium for the year in which the Policy is cancelled.

We will retain the minimum premium, except if the Policy is cancelled as of the inception date.

However, if this Policy is financed by a premium finance company and we or the premium finance company or the first Named Insured cancels the Policy, the refund will consist of the gross unearned premium computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the insurance commissioner.

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

4. Paragraph 6. is replaced by the following:

We will send notice of cancellation to the first Named Insured by a "first-class mail tracking method" if:

- a. We cancel for nonpayment of premium; or
- b. This Policy is not a renewal of a policy we issued and has been in effect for 45 days or less.

We will send notice to the first Named Insured by a "first-class mail tracking method" or by commercial mail delivery service if we cancel for a reason other than nonpayment of premium and this Policy:

- a. Is a renewal of a policy we issued; or
- b. Has been in effect for more than 45 days.

We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.

- B. The following condition is added:

**Nonrenewal**

1. If we decide not to renew or continue this Policy, we will mail to the first Named Insured written notice at least 45 days before the end of the policy period.
2. We will mail our notice of nonrenewal to the first Named Insured's last mailing address known to us. We will send notice of nonrenewal to the first Named Insured by a "first-class mail tracking method" or by commercial mail delivery service. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service or by other commercial mail delivery service when such service is used. Proof of mailing will be sufficient proof of notice.
3. When we elect not to renew a policy that has been in effect for more than 45 days for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew. You may request additional information within 30 days from the date of our notice.
4. If we offer to renew at least 45 days before the renewal date and you fail to make the required premium payment by the renewal date, the Policy will terminate on the renewal date for nonpayment of premium.

**C.** The following definition is added:

"First-class mail tracking method" means a method that provides evidence of the date that a piece of first-class mail was accepted for mailing by the United States Postal Service, including a certificate of mail and an electronic mail tracking system used by the United States Postal Service.

"First-class mail tracking method" does not include a certificate of bulk mailing.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MARYLAND CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

If you are an individual and a covered "auto" you own is of the "private passenger type", the **Cancellation** Common Policy Condition does not apply. The following conditions apply instead:

### Ending This Policy

#### A. Cancellation

1. You may cancel the Policy by mailing or delivering to us advance written notice of cancellation.
2. When this Policy has been in effect for 45 days or less and is not a renewal or continuation policy, we may cancel this Policy by mailing to you within this period written notice of cancellation, stating the reason for cancellation, at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
  - b. 15 days before the effective date of cancellation if we cancel because the risk does not meet our underwriting standards.
3. When this Policy has been in effect for more than 45 days or is a renewal or continuation policy, we may cancel this Policy by mailing to you written notice of cancellation, at least:
  - a. 10 days before the effective date of cancellation if we cancel for nonpayment of premium.
  - b. 45 days before the effective date of cancellation if we cancel for a permissible reason other than nonpayment of premium, stating the reason for cancellation. Under this Paragraph **b.**, we may cancel only for one or more of the following reasons:
    - (1) If your driver's license or motor vehicle registration, or that of one or more but not all drivers who live with you or customarily use a covered "auto", has been suspended or revoked during the policy period as a result of the driver's driving record. However, before cancelling this Policy, we will offer to continue this Policy with a provision excluding coverage for each driver whose license has been suspended or revoked during the policy period. If such an offer is accepted, we will issue an endorsement to that effect.
    - (2) When there exists material misrepresentation or fraud in connection with the application, policy or presentation of a claim.

(3) We replace this Policy with another one providing similar coverages and the same limits for the covered "auto". The replacement policy will take effect when this Policy is cancelled and will end a year after this Policy begins or on this Policy's expiration date, whichever is earlier.

(4) A change in the condition of the risk that results in an increase in the hazard insured against.

(5) A matter or issue related to the risk that constitutes a threat to public safety.

If we cancel pursuant to Paragraph **b.**, you may request additional information on the reason for cancellation within 30 days from the date of our notice.

But if this Policy has been written for a period of more than a year or without a fixed expiration date, we may cancel only at an anniversary of its original effective date.

4. Notice of cancellation will state the reason for cancellation and the effective date of cancellation. The policy period will end on that date.

5. If this Policy is cancelled, we will send you any premium refund due.

a. The refund will be pro rata if:

(1) We cancel; or

(2) The Policy is not a renewal policy, and you cancel upon receiving written notice that we recalculated the premium based on the discovery of a material risk factor during the first 45 days the Policy has been in effect.

b. If you cancel, other than the cancellation described in Paragraph **a.(2)**, the refund will be calculated as follows:

(1) **Policies Written For One Year Or Less**

We will refund 90% of the pro rata unearned premium.

(2) **Policies Written For More Than One Year**

(a) If the Policy is cancelled in the first year, we will refund 90% of the pro rata unearned premium for the first year, plus the full annual premium for subsequent years.

(b) If the Policy is cancelled after the first year, we will refund the pro rata unearned premium.

### (3) Continuous And Annual Premium Payment Policies

We will refund 90% of the pro rata unearned premium for the year in which the Policy is cancelled.

We will retain the minimum premium, except if the Policy is cancelled as of the inception date.

However, if this Policy is financed by a premium finance company and we or the premium finance company or you cancel the Policy, the refund will consist of the gross unearned premium computed pro rata, excluding any expense constant, administrative fee or nonrefundable charge filed with and approved by the insurance commissioner.

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

6. We will send notice of cancellation to you by "first-class mail tracking method" if:

a. We cancel for nonpayment of premium; or

b. This Policy is not a renewal of a policy we issued and has been in effect for 45 days or less.

We will send notice to you by certified mail if we cancel for a reason other than nonpayment of premium and this Policy:

a. Is a renewal of a policy we issued; or

b. Has been in effect for more than 45 days.

We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service. Proof of mailing will be sufficient proof of notice.

### B. Nonrenewal

1. If we decide not to renew or continue this Policy, we will send to you, by certified mail, written notice at least 45 days before the end of the policy period, stating the reason for nonrenewal. We will maintain proof of mailing in a form authorized or accepted by the United States Postal Service. Proof of mailing will be sufficient proof of notice. If the policy period is other than one year, we will have the right not to renew or continue it only at an anniversary of its original effective date. If we offer to renew or continue and you do not accept, this Policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.



2. We will not refuse to renew or continue this Policy because of your claim experience or driving record, or that of one or more but not all drivers who live with you or customarily use a covered "auto". However, we will condition renewal or continuation of this Policy on a provision excluding coverage for each driver whose claim experience or driving record would have justified nonrenewal. If such an offer is accepted, we will issue an endorsement to that effect.
3. When we elect not to renew a policy for a reason other than nonpayment of premium, we will provide a written statement of the actual reason for the refusal to renew. You may request additional information within 30 days from the date of our notice.

4. If we offer to renew at least 45 days before the renewal date and you fail to make the required premium payment by the renewal date, the Policy will terminate on the renewal date for nonpayment of premium.

**C. Mailing Of Notices**

We will mail our notice of cancellation or nonrenewal to your last mailing address known to us.

**D. The following definition is added:**

"First-class mail tracking method" means a method that provides evidence of the date that a piece of first-class mail was accepted for mailing by the United States Postal Service, including a certificate of mail and an electronic mail tracking system used by the United States Postal Service.

"First-class mail tracking method" does not include a certificate of bulk mailing.

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

## **MARYLAND WAR EXCLUSION**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
SINGLE INTEREST AUTOMOBILE PHYSICAL DAMAGE INSURANCE POLICY  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes In Liability Coverage**

The War exclusion under Paragraph **B. Exclusions of Section II – Liability Coverage** is replaced by the following:

#### **WAR**

"Bodily injury", "property damage" or "covered pollution cost or expense" arising directly or indirectly out of:

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

### **B. Changes In Garagekeepers Coverage**

If the Garagekeepers Coverage endorsement or the Garagekeepers Coverage – Customers' Sound Receiving Equipment endorsement is attached, the following exclusion is added:

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

#### **WAR**

- (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.

### **C. Changes In Auto Medical Payments**

If the Auto Medical Payments Coverage endorsement is attached, then Exclusion **C.6.** is replaced by the following:

6. "Bodily injury" arising directly or indirectly out of:

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

### **D. Changes In Uninsured Motorists Coverage**

If Uninsured Motorists Coverage is attached, then the following exclusion is added:

This insurance does not apply to:

#### **WAR**

1. "Bodily injury" or "property damage" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

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

This exclusion applies to the extent that the limit of insurance exceeds the minimum limit required for Uninsured Motorists Coverage by the Transportation Article of the Annotated Code of Maryland.

**E. Changes In Single Interest Automobile Physical Damage Insurance Policy**

The War exclusion is replaced by the following:

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

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

## **PUBLIC OR LIVERY PASSENGER CONVEYANCE AND ON-DEMAND DELIVERY SERVICES EXCLUSION**

This endorsement modifies insurance provided under the following:

AUTO DEALERS COVERAGE FORM  
BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

### **A. Changes In Covered Autos Liability Coverage**

The following exclusion is added:

#### **Public Or Livery Passenger Conveyance And On-demand Delivery Services**

This insurance does not apply to any covered "auto" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

### **B. Changes In Physical Damage Coverage**

The following exclusion is added:

We will not pay for "loss" to any covered "autos" while being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or

2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

### **C. Changes In Auto Medical Payments**

If Auto Medical Payments Coverage is attached, then the following exclusion is added:

#### **Public Or Livery Passenger Conveyance And On-demand Delivery Services**

This insurance does not apply to:

"Bodily injury" sustained by an "insured" "occupying" a covered "auto" while it is being used:

1. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
2. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

**D. Changes In Uninsured And/or Underinsured Motorists Coverage**

1. If Uninsured and/or Underinsured Motorists Coverage is attached, and:
  - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
  - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

**2. Public Or Livery Passenger Conveyance And On-demand Delivery Services**

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

**E. Changes In Personal Injury Protection Coverage**

1. If Personal Injury Protection, no-fault or other similar coverage is attached, and:
  - a. Contains, in whole or in part, a public or livery exclusion, then the following exclusion in Paragraph 2. does not apply.
  - b. Does not contain a public or livery exclusion, then the following exclusion in Paragraph 2. is added.

**2. Public Or Livery Passenger Conveyance And On-demand Delivery Services**

This insurance does not apply to any covered "auto" while being used:

- a. As a public or livery conveyance for passengers. This includes, but is not limited to, any period of time a covered "auto" is being used by an "insured" who is logged into a "transportation network platform" as a driver, whether or not a passenger is "occupying" the covered "auto"; or
- b. By an "insured" who is logged into a "transportation network platform" or "delivery network platform" as a driver to provide "delivery services", whether or not the goods, items or products to be delivered are in the covered "auto".

However, this exclusion does not apply to business activities performed by an "insured" that are directly related to the Named Insured(s) listed in the Declarations.

**F. Additional Definitions**

As used in this endorsement:

1. "Delivery network platform" means an online-enabled application or digital network, used to connect customers:
  - a. With drivers; or
  - b. With local vendors using drivers; for the purpose of providing prearranged "delivery services" for compensation. A "delivery network platform" does not include a "transportation network platform".
2. "Delivery services" includes courier services.
3. "Occupying" means in, upon, getting in, on, out or off.
4. "Transportation network platform" means an online-enabled application or digital network used to connect passengers with drivers using vehicles for the purpose of providing prearranged transportation services for compensation.

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

## GARAGEKEEPERS COVERAGE

This endorsement modifies insurance provided under the following:

- BUSINESS AUTO COVERAGE FORM
- MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated

|                                    |
|------------------------------------|
| <b>Named Insured:</b>              |
| <b>Endorsement Effective Date:</b> |

### SCHEDULE

| Location Number                 | Address Where You Conduct Garage Operations (Main Location)                                  |   |
|---------------------------------|--|---|
| 001/001                         | 6210 PARK HEIGHTS AVE, BALTIMORE MD 21215-3626   |   |
| Coverages                       | Limit Of Insurance And Deductible  | Premium   |
| <b>Comprehensive</b>            | <b>Limit Of Insurance</b>  |   |
|                                 | <b>Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism</b> |   |
|                                 | <b>Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event</b> |   |
|                                 | <b>OR</b>  |   |
|                                 | \$ 300,000   | <b>Limit Of Insurance</b>                                 |
|                                 | \$ 500   | <b>Deductible For All Perils For Each Customer's Auto</b> |
|                                 | \$ 2,500   | <b>Maximum Deductible For All Loss In Any One Event</b>   |
| <b>Specified Causes Of Loss</b> | <b>Limit Of Insurance</b>  |   |
|                                 | <b>Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism</b> |   |
|                                 | <b>Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event</b> |   |
|                                 | <b>OR</b>  |   |
|                                 | <b>Limit Of Insurance</b>  |   |
|                                 | <b>Deductible For All Perils For Each Customer's Auto</b>                                    |   |
|                                 | <b>Maximum Deductible For All Loss In Any One Event</b>                                      |   |
| <b>Collision</b>                | \$ 300,000   | <b>Limit Of Insurance</b>                                 |
|                                 | \$ 500   | <b>Deductible For Each Customer's Auto</b>                |

|                                 |  |                |
|---------------------------------|--|----------------|
| <b>Location Number</b>          | <b>Address Where You Conduct Garage Operations</b>   |                |
|                                 |  |                |
| <b>Coverages</b>                | <b>Limit Of Insurance And Deductible</b>   | <b>Premium</b> |
| <b>Comprehensive</b>            | <b>Limit Of Insurance</b>  |                |
|                                 | <b>Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism</b> |                |
|                                 | <b>Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event</b> |                |
|                                 | <b>OR</b>  |                |
|                                 | <b>Limit Of Insurance</b>  |                |
|                                 | <b>Deductible For All Perils For Each Customer's Auto</b>                                    |                |
|                                 | <b>Maximum Deductible For All Loss In Any One Event</b>                                      |                |
| <b>Specified Causes Of Loss</b> | <b>Limit Of Insurance</b>  |                |
|                                 | <b>Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism</b> |                |
|                                 | <b>Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event</b> |                |
|                                 | <b>OR</b>  |                |
|                                 | <b>Limit Of Insurance</b>  |                |
|                                 | <b>Deductible For All Perils For Each Customer's Auto</b>                                    |                |
|                                 | <b>Maximum Deductible For All Loss In Any One Event</b>                                      |                |
| <b>Collision</b>                | <b>Limit Of Insurance</b>  |                |
|                                 | <b>Deductible For Each Customer's Auto</b>   |                |

| Location Number          | Address Where You Conduct Garage Operations   |         |
|--------------------------|---|---------|
|                          |   |         |
| Coverages                | Limit Of Insurance And Deductible   | Premium |
| Comprehensive            | Limit Of Insurance  |         |
|                          | Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism |         |
|                          | Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event |         |
|                          | OR  |         |
|                          | Limit Of Insurance  |         |
|                          | Deductible For All Perils For Each Customer's Auto                                    |         |
|                          | Maximum Deductible For All Loss In Any One Event                                      |         |
| Specified Causes Of Loss | Limit Of Insurance  |         |
|                          | Deductible For Each Customer's Auto For Loss Caused By Theft Or Mischief Or Vandalism |         |
|                          | Maximum Deductible For Loss Caused By Theft Or Mischief Or Vandalism In Any One Event |         |
|                          | OR  |         |
|                          | Limit Of Insurance  |         |
|                          | Deductible For All Perils For Each Customer's Auto                                    |         |
|                          | Maximum Deductible For All Loss In Any One Event                                      |         |
| Collision                | Limit Of Insurance  |         |
|                          | Deductible For Each Customer's Auto   |         |

|  |          |
|--|----------|
| <b>Total Garagekeepers Premium For All Locations</b> | \$ 1,727 |
|--|----------|

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



## Direct Coverage Options

Indicate below with an "X" which, if any, Direct Coverage Option is selected.

**Excess Insurance**

If this box is checked, Garagekeepers Coverage remains applicable on a legal liability basis. However, coverage also applies without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" on an excess basis over any other collectible insurance regardless of whether the other insurance covers your or any other "insured's" interest or the interest of the "customer's auto's" owner.

**Primary Insurance**

If this box is checked, Garagekeepers Coverage is changed to apply without regard to your or any other "insured's" legal liability for "loss" to a "customer's auto" and is primary insurance.

**A. This endorsement provides only those coverages:**

1. Where a Limit Of Insurance and a premium are shown for that coverage in the Schedule; and
2. For the location shown in the Schedule.

**B. Coverage**

1. We will pay all sums the "insured" legally must pay as damages for "loss" to a "customer's auto" or "customer's auto" equipment left in the "insured's" care while the "insured" is attending, servicing, repairing, parking or storing it in your "garage operations" under:

**a. Comprehensive Coverage**

From any cause except:

- (1) The "customer's auto's" collision with another object; or
- (2) The "customer's auto's" overturn.

**b. Specified Causes Of Loss Coverage**

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft; or
- (3) Mischief or vandalism.

**c. Collision Coverage**

Caused by:

- (1) The "customer's auto's" collision with another object; or
- (2) The "customer's auto's" overturn.

2. We will have the right and duty to defend any "insured" against a "suit" asking for these damages. However, we have no duty to defend any "insured" against a "suit" seeking damages for "loss" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends for a coverage when the Limit of Insurance for that coverage has been exhausted by payment of judgments or settlements.

**3. Who Is An Insured**

The following are "insureds" for "loss" to "customer's autos" and "customer's auto" equipment:

- a. You.
- b. Your partners and their spouses, if you are a partnership, but only with respect to the conduct of your "garage operations".
- c. Your members, if you are a limited liability company, but only with respect to the conduct of your "garage operations". Your managers are also "insureds", but only with respect to their duties as your managers.
- d. Your "executive officers" and directors, if you are an organization other than a partnership or limited liability company, but only with respect to their duties as your officers or directors. Your stockholders are also "insureds", but only with respect to their liability as stockholders.

- e. Your "employees", other than either your "executive officers" (if you are an organization other than a partnership or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of employment by you or while performing their duties related to the conduct of your "garage operations".

#### 4. Coverage Extensions

The following applies as **Supplementary Payments**. We will pay for the "insured":

- a. All expenses we incur.
- b. The costs of bonds to release attachments in any "suit" against an "insured" we defend, but only for bond amounts within our Limit of Insurance.
- c. All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- d. All court costs taxed against the "insured" in any "suit" against an "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- e. All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against an "insured" we defend; but our duty to pay interest ends when we have paid, offered to pay, or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

#### C. Exclusions

1. This insurance does not apply to any of the following:
  - a. **Contractual**  
Liability resulting from any contract or agreement by which the "insured" accepts responsibility for "loss". But this exclusion does not apply to liability for "loss" that the "insured" would have in the absence of the contract or agreement.
  - b. **Theft**  
"Loss" due to theft or conversion caused in any way by you, your "employees" or by your stockholders.
  - c. **Defective Parts**  
Defective parts or materials.

#### d. Faulty Work

Faulty "work you performed".

2. We will not pay for "loss" to any of the following:
  - a. Tape decks or other sound-reproducing equipment unless permanently installed in a "customer's auto".
  - b. Tapes, records or other sound-reproducing devices designed for use with sound-reproducing equipment.
  - c. Sound-receiving equipment designed for use as a citizens band radio, two-way mobile radio or telephone or scanning monitor receiver, including its antennas and other accessories, unless permanently installed in the dash or console opening normally used by the "customer's auto" manufacturer for the installation of a radio.
  - d. Any device designed or used to detect speed-measuring equipment, such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measuring equipment.
3. We will not pay for "loss" caused by or resulting from the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss":
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### D. Limits Of Insurance And Deductibles

1. Regardless of the number of "customer's autos", "insureds", premiums paid, claims made or "suits" brought, the most we will pay for each "loss" at each location is the Garagekeepers Coverage Limit Of Insurance shown in the Schedule for that location. Prior to the application of this limit, the damages for "loss" that would otherwise be payable will be reduced by the applicable deductibles for "loss" caused by:
  - a. Collision; or

- b. With respect to Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage:
    - (1) Theft or mischief or vandalism; or
    - (2) All perils.
  - 2. The maximum deductible stated in the Schedule for Garagekeepers Coverage Comprehensive or Specified Causes Of Loss Coverage is the most that will be deducted for all "loss" in any one event caused by:
    - a. Theft or mischief or vandalism; or
    - b. All perils.
  - 3. To settle a claim or "suit", we may pay all or any part of the deductible. If this happens you must reimburse us for the deductible or that part of the deductible that we paid.
- 2. "Loss" means direct and accidental loss or damage and includes any resulting loss of use.
  - 3. "Garage operations" means the ownership, maintenance or use of locations for the purpose of a business of selling, servicing, repairing, parking or storing "customer's autos" and that portion of the roads or other accesses that adjoin these locations. "Garage operations" also includes all operations necessary or incidental to the performance of garage operations.
  - 4. "Work you performed" includes:
    - a. Work that someone performed on your behalf; and
    - b. The providing of or failure to provide warnings or instructions.

**E. Additional Definitions**

As used in this endorsement:

- 1. "Customer's auto" means a land motor vehicle, "trailer" or semitrailer lawfully within your possession for service, repair, storage or safekeeping, with or without the vehicle owner's knowledge or consent. A "customer's auto" also includes any such vehicle left in your care by your "employees" and members of their households who pay for services performed.

## **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;

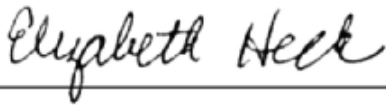
as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

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.

**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 an authorized representative.

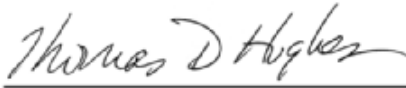
**By:**

**By:**



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**Elizabeth Heck**  
President and Chief Executive Officer



---

**Thomas D. Hughes**  
Corporate Secretary



**Corporate Headquarters**  
New York City

**GNY Insurance Companies**  
200 Madison Avenue  
New York, NY 10016  
(212) 683-9700

**Website:** [www.gny.com](http://www.gny.com)  
**Email:** [information@gny.com](mailto:information@gny.com)

**After Hours Emergency Claim  
Phone Number:**  
(855) 276-1271

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100 Great Meadow Road, Suite 301  
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(860) 652-7090

**New Jersey and Pennsylvania**  
**GNY Insurance Companies**

333 Thornall Street  
Edison, NJ 08837  
(732) 238-6300

**District of Columbia, Maryland  
and Virginia**

**GNY Insurance Companies**  
230 Schilling Circle, Suite 374  
Hunt Valley, MD 21031  
(410) 785-7172

**Illinois, Indiana, Michigan, Ohio  
and Wisconsin**

**GNY Insurance Companies**  
200 Madison Avenue  
New York, NY 10016  
(800) 522-5504



**ADDITIONAL REMARKS SCHEDULE**

|  |                             |  |  |
|--|-----------------------------|--|--|
| AGENCY<br><b>Schoenfeld Insurance Associates, Inc.</b> |                             | NAMED INSURED<br><b>Strathmore Tower Condominium<br/>Tidewater Property Mgmt<br/>3600 Crondall Lane, Ste. 100<br/>Owings Mills, MD 21117</b> |  |
| POLICY NUMBER<br><b>SEE PAGE 1</b>                     |                             | EFFECTIVE DATE: <b>SEE PAGE 1</b>  |  |
| CARRIER<br><b>SEE PAGE 1</b>                           | NAIC CODE<br><b>SEE P 1</b> |  |  |

**ADDITIONAL REMARKS**

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,  
FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

**Certificate of Liability Remarks****Additional Insurance:**

**Directors and Officers Liability (\$1,000,000 Limit) Policy# NPP1552746K Eff. 7/1/22-7/1/23 Issued by United States Liability Insurance (USLI)**

**Fidelity Bond (\$745,000 Limit) Policy# 30BDDHS5910 Eff. 10/1/20-10/1/23 Issued by The Hartford Insurance**

**Additional Coverage Notes:**

**The Master Policy for Strathmore Tower Condominium is written in accordance with the Maryland Condominium Act, Section 11-114, to include revisions implemented in October 2009, updated/posted in January 2011. Property Section/Replacement Cost of the Master Policy is written on an All Risk/SPECIAL Form basis, excluding ANY Betterments & Improvements installed by Unit owner's, other than the Developer. Homeowners are recommended to purchase a Homeowners Policy designed for Condominium Owners, commonly known as a HO6 Policy.**

**Fidelity Bond is included, as per the Maryland Condominium Act, Section 11-114, to include the Management Company as an Employee at Full Limit scheduled on the Fidelity Bond Policy.**

**60 Residential Units**

**Wind/Hail Coverage - Included (no separate deductible)**

**Water Damage Deductible - \$10,000**

**Ordinance Coverage - Included**

**Equipment Breakdown Coverage - Included**

**Flood and Earthquake Coverage - Excluded**



# Council of Co-Owners of Strathmore Tower Condominium

Owner Forms





## *Seller and Purchaser Contact Form*

Please complete this form, and remit with the settlement documents and any fees collected to:

**Tidewater Property Management, Inc  
C/o Settlement Processing Department  
3600 Crondall Lane, Suite 100  
Owings Mills, MD 21117**

Community Name: \_\_\_\_\_

Sold Property Address: \_\_\_\_\_

### *Seller's Contact Information*

Seller's Forwarding Address:

\_\_\_\_\_  
\_\_\_\_\_

Seller's Phone Number:

\_\_\_\_\_

Seller's Email Address:

\_\_\_\_\_

### *Purchaser's Contact Information*

Is the Purchaser's mailing address now the property address?

**Yes or No**

If No, Provide Mailing Address:

\_\_\_\_\_  
\_\_\_\_\_

Purchaser's Phone Number:

\_\_\_\_\_

Purchaser's Email Address:

\_\_\_\_\_



# Council of Co-Owners of Strathmore Tower Condominium

Reserve Study





Corporate Office  
Reserve Advisors, Inc.  
731 N. West Street, Suite 175  
Arlingford, VA 22822

Long-term thinking. Everyday commitment.

## 1. RESERVE STUDY EXECUTIVE SUMMARY

**Client:** Strathmore Tower Condominium Association (Strathmore Tower)  
**Location:** Baltimore, Maryland  
**Reference:** 97641

**Property Basics:** Strathmore Tower Condominium Association is a condominium style development of 56 units in one building. The exterior of the building comprises concrete balconies, masonry and stucco facade, and a flat roof. The building was built in 1966. The development contains two levels of garage parking adjacent to the building.

**Reserve Components Identified:** 48 Reserve Components.

**Inspection Date:** September 25, 2013.

**Funding Goal:** The Funding Goal of this Reserve Study is to maintain reserves above an adequate, not excessive threshold during one or more years of significant expenditures. Our recommended Funding Plan recognizes this threshold funding year in 2019 due to replacement of the balcony doors and in 2042 due to replacement of elevator equipment.

**Cash Flow Method:** We use the Cash Flow Method to compute the Reserve Funding Plan. This method offsets future variable Reserve Expenditures with existing and future stable levels of reserve funding. Our application of this method also considers:

- current and future local costs of replacement
- 1.2% annual rate of return on invested reserves
- 2.2% future inflation Rate for estimating Future Replacement Costs

**Sources for Local Costs of Replacement:** Our proprietary database, historical costs and published sources, i.e., R.S. Means, Incorporated.

**Cash Status of Reserve Fund:** \$253,517 as of August 31, 2013.

**Recommended Reserve Funding:** The Association budgeted \$120,000 for Reserve Contributions in 2013. We recommend the Association budget stable contributions of \$120,000 in 2014, and \$310,000 from 2015 through 2019. By 2020, the Association will have fully funded for replacement of the balcony doors. Therefore, the Association may anticipate a decrease in the annual Reserve Contribution to \$195,000. Afterwards, the Association should budget gradual annual increases in reserve funding, that in part consider the effects of inflation through 2043, the limit of this study's Cash Flow Analysis. The recommended year 2015 Reserve Contribution of \$310,000 is equivalent to an average monthly contribution of \$461.31 per unit owner.

**Certification:** This Precision 2020 Full Reserve Study exceeds the Community Associations Institute (CAI) and Association of Professional Reserve Analysts (APRA) standards fulfilling the requirements of a "Level I Full Reserve Study."

The Fiscal Year (FY 2013) for Strathmore begins November 1, 2012 and ends October 31, 2013. For brevity, we refer to the Fiscal Year by its ending year, i.e. Fiscal Year 2012-13 is FY 2013 or simply 2013.

APRA

Association of Professional Reserve Analysts

(800) 821-9532

[www.aprareserveanalysts.com](http://www.aprareserveanalysts.com)

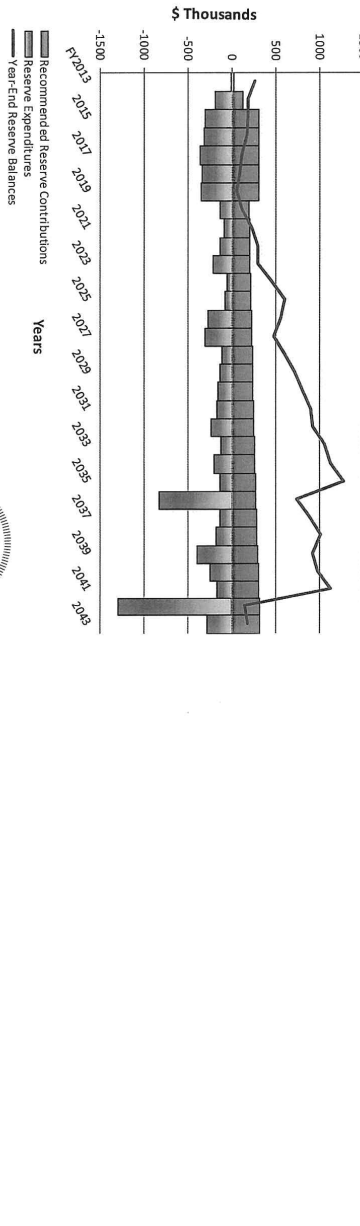
Fax: (414) 228-6659





Strathmore Tower  
Recommended Reserve Funding Table and Graph

| Year | Reserve Contributions (\$) | Reserve Balances (\$) | Year | Reserve Contributions (\$) | Reserve Balances (\$) | Year | Reserve Contributions (\$) | Reserve Balances (\$) |
|------|----------------------------|-----------------------|------|----------------------------|-----------------------|------|----------------------------|-----------------------|
| 2014 | 120,000                    | 183,620               | 2024 | 212,800                    | 448,127               | 2034 | 264,600                    | 1,124,656             |
| 2015 | 310,000                    | 182,764               | 2025 | 217,500                    | 594,591               | 2035 | 270,400                    | 1,272,759             |
| 2016 | 310,000                    | 171,672               | 2026 | 222,500                    | 551,153               | 2036 | 276,300                    | 733,254               |
| 2017 | 310,000                    | 115,706               | 2027 | 227,200                    | 477,959               | 2037 | 282,400                    | 882,619               |
| 2018 | 310,000                    | 86,294                | 2028 | 232,200                    | 599,288               | 2038 | 288,600                    | 1,003,924             |
| 2019 | 310,000                    | 48,991                | 2029 | 237,300                    | 710,560               | 2039 | 294,900                    | 912,249               |
| 2020 | 195,000                    | 111,022               | 2030 | 242,500                    | 801,726               | 2040 | 301,400                    | 972,897               |
| 2021 | 199,300                    | 218,263               | 2031 | 247,800                    | 893,148               | 2041 | 308,000                    | 1,119,337             |
| 2022 | 203,700                    | 291,154               | 2032 | 253,300                    | 914,137               | 2042 | 314,800                    | 1,40,242              |
| 2023 | 208,200                    | 289,874               | 2033 | 258,900                    | 1,053,997             | 2043 | 321,700                    | 174,655               |



Respectfully submitted on October 7, 2013 by  
RESERVE ADVISORS, INC.



Alan M. Ebert, PRA<sup>2</sup>, RS<sup>3</sup>, Associate Director of Quality Assurance  
Visual Inspection and Report by: Justin J. Mader, PRA, KS

<sup>2</sup> PRA (Professional Reserve Analyst) is the professional designation of the Association of Professional Reserve Analysts. Learn more about APRA at <http://www.apra-usa.com>.

<sup>3</sup> RS (Reserve Specialist) is the reserve provider professional designation of the Community Associations Institute (CAI) representing America's more than 300,000 condominium, cooperative and homeowners associations.



## 2. RESERVE STUDY REPORT

At the direction of the Board that recognizes the need for proper reserve planning, we have conducted a *Precision 20/20 Fall Reserve Study* of

**Strathmore Tower Condominium Association**

**Baltimore, Maryland**

and submit our findings in this report. The effective date of this study is the date of our visual, noninvasive inspection, September 25, 2013.

We present our findings and recommendations in the following report sections and spreadsheets:

- **Identification of Property** - Segregates all property into several areas of responsibility for repair or replacement
- **Reserve Expenditures** - Identifies reserve components and related quantities, useful lives, remaining useful lives and future reserve expenditures during the next 30 years
- **Reserve Funding Plan** - Presents the recommended Reserve Contributions and year-end Reserve Balances for the next 30 years
- **Condition Assessment** - Describes the reserve components, describes our recommendations for repairs or replacement, and includes detailed solutions and procedures for replacements for the benefit of current and future board members
- **Photographs** - Documentation of Condition of various property elements
- **Methodology** - Lists the national standards, methods and procedures used, financial information relied upon for the Financial Analysis of the Reserve Study
- **Definitions** - Contains definitions of terms used in the Reserve Study, consistent with national standards
- **Professional Service Conditions** - Describes Assumptions and Professional Service Conditions
- **Credentials and Resources**



#### IDENTIFICATION OF PROPERTY

Strathmore Tower Condominium Association is a condominium style development of 56 units in one building. The exterior of the building comprises concrete balconies, masonry and stucco facade, and a flat roof. The building was built in 1966. The development contains two levels of garage parking adjacent to the building. We identify 48 major reserve components that are likely to require capital repair or replacement during the next 30 years.

Our investigation includes Reserve Components or property elements as set forth in your Declaration. Our analysis begins by segregating the property elements into several areas of responsibility for repair and replacement. Our process of identification helps assure that future boards and the management team understand whether reserves, the operating budget or homeowners fund certain replacements and assists in preparation of the annual budget. We derive these segregated classes of property from our review of the information provided by the Association and through conversations with The Board. These classes of property include:

- Reserve Components
- Long-Lived Property Elements
- Operating Budget Funded Repairs and Replacements
- Property Maintained by Homeowners

We advise that the Board conduct an annual review of these classes of property to confirm its policy concerning the manner of funding, i.e., from reserves or the operating budget.

The Reserve Study identifies Reserve Components as set forth in your Declaration or which were identified as part of your request for proposed services. Reserve Components are defined by CAI as property elements with:

- Strathmore Tower responsibility
- Limited useful life expectancies
- Predictable remaining useful life expectancies
- Replacement cost above a minimum threshold

Long-Lived Property Elements do not have predictable Remaining Useful Lives. The operating budget should fund infrequent repairs. Funding unimely or unexpected replacements from reserves will necessitate increases to Reserve Contributions. Periodic updates of this Reserve Study will help determine the merits of adjusting the Reserve Funding Plan. We identify the following Long-Lived Property Elements as excluded from reserve funding at this time.

- Foundations
- Pipes, Subsurface Utilities
- Railings, Balconies (replaced in 1996)
- Structural Frames
- Windows (replaced in 2001)

The operating budget provides money for the repair and replacement of certain Reserve

Components. Operating Budget Funded Repairs and Replacements relate to:

- General Maintenance to the Common Elements
- Expenditures less than \$10,000 (These relatively minor expenditures have a limited effect on the recommended Reserve Contributions)
- Air Handling and Condensing Units, Split System, Elevator Equipment Room
- Asphalt Pavement, Crack Repair, Patch and Seal Coat
- Basement and Garage Hallway Finishes
- Exhaust Fans
- Expansion Tanks
- Fences, Chain Link
- Landscape
- Light Fixtures, Soffit Perimeter at Ground Floor
- Light Poles and Fixtures
- Mailboxes
- Office
- Paint Finishes, Touch Up
- Pump, Gas Booster
- Pumps Less Than Five-HP (horsepower)
- Railing, Garage Ramp
- Stairs, Concrete
- Valves, Small Diameter
- Wheel Stops
- Other Repairs normally funded through the Operating Budget



Property Maintained by Homeowners relates to unit:

- Convectors
- Electrical Systems
- Interiors
- Pipes, Interior Building, Water and Sewer

Certain items have been designated as the responsibility of the Commercial Spaces to repair or replace. Property Maintained by the Commercial Spaces relates to commercial space:

- Electrical Systems
- Interiors
- Mechanical Equipment
- Pipes, Interior Building, Water and Sewer



### 3. RESERVE EXPENDITURES and FUNDING PLAN

The tables following this introduction present:

#### Reserve Expenditures

- Line item numbers
- Total quantities replaced during the next 30 years
- Quantities replaced per phase (in a single year)
- Reserve component inventory
- Estimated first year of event (i.e., replacement, application, etc.)
- Life analysis showing
  - useful life
  - remaining useful life
- Unit cost of replacement
- 2013 local cost of replacement
- Total future costs of replacement anticipated during the next 30 years
- Schedule of estimated future costs for each reserve component including inflation

#### Reserve Funding Plan

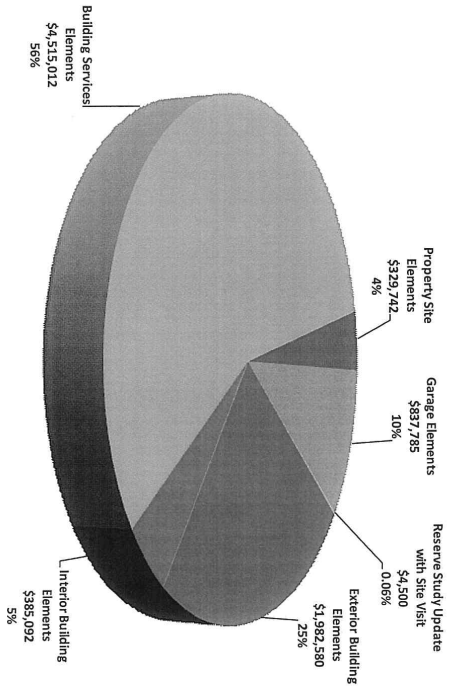
- Reserves at the beginning of each year
- Total recommended reserve contributions
- Estimated interest earned from invested reserves
- Anticipated expenditures by year
- Anticipated reserves at year end
- Predicted reserves based on current funding level

Financial statements prepared by your association by you or others might rely in part on information contained in this section. For your convenience, we have provided an electronic data file containing the tables of *Reserve Expenditures* and *Reserve Funding Plan*.



The most important category of Reserve Components noted in *Reserve Expenditures* is the Building Services Elements. The following chart illustrates the relative importance of the Reserve Expenditures and relative funding during the next 30 years.

**Strathmore Tower**  
Future Expenditures Relative Cost Illustration









**RESERVE EXPENDITURES**

Stadthorne Tower  
 Condominium Association  
 Baltimore, Maryland

| Line Item   | 21      | 22      | 23      | 24      | 25      | 26      | 27      | 28      | 29        | 30      |
|---|---------|---------|---------|---------|---------|---------|---------|---------|-----------|---------|
| <b>Reserve Component Inventory</b>                                      |         |         |         |         |         |         |         |         |           |         |
| 3880 Train Chute and Doors  | 2034    | 2035    | 2036    | 2037    | 2038    | 2039    | 2040    | 2041    | 2042      | 2043    |
| 3900 Train Compactor  |         |         |         |         | 32,726  |         |         |         |           |         |
| 3920 Valves, Period   |         |         |         |         |         |         |         |         |           |         |
| 3940 Water Heaters, 500 MBH   |         |         |         |         |         |         |         |         |           |         |
| <b>Forecast Six Elements</b>  |         |         |         |         |         |         |         |         |           |         |
| 4045 Asphalt Pavement, Total Replacement                                |         |         |         |         |         |         |         |         |           | 116,797 |
| 4110 Concrete Curbs and Gutters   |         |         |         |         |         |         |         |         |           |         |
| 4120 Concrete Driveways   |         |         |         |         |         |         |         |         |           |         |
| 4197 Stairwell, Front Entrance (including underlying waterproofing)     |         |         |         |         |         |         |         |         |           |         |
| <b>Garage Elements</b>  |         |         |         |         |         |         |         |         |           |         |
| 7200 Concrete, Eased Floor, Inspections and Capital Repairs, Initial    |         |         |         |         |         | 104,595 |         |         |           |         |
| 7201 Concrete, Eased Floor, Inspections and Capital Repairs, Subsequent |         |         |         |         |         |         |         | 18,392  |           |         |
| 7400 Door and Operator  |         |         |         |         |         |         |         |         |           |         |
| 7600 Light Fixtures (2013 building record)                              |         |         |         |         |         |         |         |         |           | 9,797   |
| 7660 Paint Finishes   |         |         | 30,382  |         |         |         |         |         |           |         |
| 7667 Pavement, On-grade, Period Repairs                                 |         |         |         |         |         | 17,889  |         |         |           |         |
| 7800 Traffic Coating, Eased Floor                                       |         |         |         |         |         | 126,791 |         |         |           |         |
| <b>Reserve Study Update with Site Visit</b>                             |         |         |         |         |         |         |         |         |           |         |
| Anticipated Expenditures, By Year                                       | 206,835 | 138,566 | 827,789 | 142,672 | 178,547 | 388,003 | 251,955 | 174,039 | 1,307,407 | 288,165 |

## RESERVE FUNDING PLAN

### CASH FLOW ANALYSIS

Strathmore Tower  
Condominium Association

Baltimore, Maryland

|  | Individual Reserve Budgets & Cash Flows for the Next 30 Years |                  |                  |                  |                  |                 |                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |
|--|---|------------------|------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | FY2013  | 2014             | 2015             | 2016             | 2017             | 2018            | 2019            | 2020             | 2021             | 2022             | 2023             | 2024             | 2025             | 2026             | 2027             | 2028             |
| Reserves at Beginning of Year (Note 1)               | 253,517   | 258,028          | 183,620          | 182,764          | 171,672          | 115,706         | 86,294          | 48,991           | 111,022          | 218,263          | 291,154          | 289,874          | 448,127          | 584,591          | 551,153          | 477,959          |
| Total Recommended Reserve Contributions (Note 2)     | 20,000  | 120,000          | 310,000          | 310,000          | 310,000          | 310,000         | 310,000         | 193,500          | 199,300          | 203,700          | 208,200          | 212,800          | 217,500          | 222,300          | 227,200          | 232,200          |
| Plus Estimated Interest Earned, During Year (Note 3) | 511   | 2,634            | 2,185            | 2,114            | 1,714            | 1,205           | 807             | 954              | 1,964            | 3,038            | 3,465            | 4,402            | 6,219            | 6,833            | 6,138            | 6,425            |
| Less Anticipated Expenditures, By Year               | (16,000)  | (197,042)        | (313,041)        | (323,206)        | (367,680)        | (340,617)       | (346,110)       | (333,923)        | (94,023)         | (133,847)        | (212,945)        | (59,949)         | (77,255)         | (272,571)        | (306,532)        | (117,295)        |
| Anticipated Reserves at Year End                     | <u>\$238,028</u>  | <u>\$183,620</u> | <u>\$182,764</u> | <u>\$171,672</u> | <u>\$115,706</u> | <u>\$86,294</u> | <u>\$48,991</u> | <u>\$111,022</u> | <u>\$218,263</u> | <u>\$291,154</u> | <u>\$289,874</u> | <u>\$448,127</u> | <u>\$584,591</u> | <u>\$551,153</u> | <u>\$477,959</u> | <u>\$399,289</u> |

(NOTE 5)

(continued)

|   | Individual Reserve Budgets & Cash Flows for the Next 30 Years, Continued |                  |                  |                  |                    |                    |                    |                  |                  |                    |                  |                  |                    |                  |                  |
|---|--|------------------|------------------|------------------|--------------------|--------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|--------------------|------------------|------------------|
|   | 2029   | 2030             | 2031             | 2032             | 2033               | 2034               | 2035               | 2036             | 2037             | 2038               | 2039             | 2040             | 2041               | 2042             | 2043             |
| Reserves at Beginning of Year               | 599,289  | 710,360          | 801,726          | 893,148          | 914,137            | 1,053,997          | 1,124,656          | 1,272,759        | 733,254          | 882,619            | 1,003,924        | 912,249          | 972,897            | 1,119,337        | 140,242          |
| Total Recommended Reserve Contributions     | 237,300  | 242,500          | 247,800          | 253,300          | 258,800            | 264,600            | 270,400            | 276,300          | 282,400          | 288,600            | 294,900          | 301,400          | 308,000            | 314,800          | 321,700          |
| Plus Estimated Interest Earned, During Year | 7,811  | 9,018            | 10,109           | 10,779           | 11,738             | 12,994             | 14,299             | 11,964           | 9,637            | 11,252             | 11,428           | 11,243           | 12,479             | 7,512            | 1,878            |
| Less Anticipated Expenditures, By Year      | (134,040)  | (160,152)        | (166,487)        | (243,080)        | (190,778)          | (206,935)          | (196,586)          | (827,789)        | (142,672)        | (178,547)          | (398,003)        | (251,985)        | (174,039)          | (1,301,407)      | (289,165)        |
| Anticipated Reserves at Year End            | <u>\$710,360</u>   | <u>\$801,726</u> | <u>\$893,148</u> | <u>\$914,137</u> | <u>\$1,053,997</u> | <u>\$1,124,656</u> | <u>\$1,272,759</u> | <u>\$733,254</u> | <u>\$882,619</u> | <u>\$1,003,924</u> | <u>\$912,249</u> | <u>\$972,897</u> | <u>\$1,119,337</u> | <u>\$140,242</u> | <u>\$174,655</u> |

(NOTE 5)

**Explanatory Notes:**

- 1) Year 2013 starting reserves are as of August 31, 2013. FY2013 starts November 1, 2012 and ends October 31, 2013.
- 2) Reserve Contributions for 2013 are the remaining budgeted 2 months; 2014 is the first year of recommended contributions.
- 3) 1.2% is the estimated annual rate of return on invested reserves; 2013 is a partial year of interest earned.
- 4) Accumulated year 2043 ending reserves consider the need to fund for garage repairs shortly after 2043, and the age, size, overall condition and complexity of the property.
- 5) Threshold Funding Years (reserve balance at critical point).



# Council of Co-Owners of Strathmore Tower Condominium

Resolutions and Policies



## PROCEDURES FOR MOVING IN/OUT

1. All property (furniture, appliances, household equipment, etc.) when delivered or removed from a unit in the Strathmore tower Condominium must be brought into or taken out of the building through the front entrance. However, tradesman should use the rear entrance for moving their equipment in and out of the building when they are working in the units. The condominium will provide wall pads and protective floor mats for the lobby and hallways during the move.
2. Anyone wishing to move in/out must reserve the freight elevator and pay a fee of \$250.00. This must be in two (2) separate checks. One check is the \$100 reservation fee for the elevator, and the second \$150.00 check is a security deposit that may be returned to you after inspection of the building, and provided no damage was done to the elevator or hallways. Checks must be made payable to Strathmore Tower Condominium.
3. The freight elevator must be reserved for furniture or appliance deliveries.
4. Moving in/out is permitted only during the hours between 8:00 a.m. and 4:00 p.m.
5. Moves are prohibited on the following days: Saturdays, Sundays, Christmas, Good Friday, first day of Passover, Thanksgiving, Yom Kippur and the two days of Rosh Hashanah.
6. The unit owner is responsible for the disposal of all trash, cartons, etc. resulting from the move. Nothing is to be placed in the elevator, lobby, or hallway. Trash is not to be placed in the trash room in greater amounts than normal occupancy would allow. Building staff will remove extra cartons, only if broken down, between the hours of 8:00 a.m. and 3:00 p.m. Monday-Friday upon request to the receptionist at the front desk. One-hour notice is required.
7. Please advise any contractors, moving teams, or delivery persons to use the front entrance of the building, and to take care not to damage any part of the building. They will be responsible to provide necessary coverings and padding to prevent damage.
8. Storage units located in the basement of the condominium must be cleaned prior to vacating the premises. Unit Owners are responsible for removing all items from the premises and removing their personal locks from the storage unit. Failure to properly clean and remove items from the unit, could result in charges being assessed against your deposit.

**STRATHMORE TOWER CONDOMINIUM  
NOTICE OF MOVE IN/OUT**

NAME: \_\_\_\_\_ UNIT NUMBER: \_\_\_\_\_

Move In       Move Out

Moving Date(s): \_\_\_\_\_

If Moving Out, Forwarding Address: \_\_\_\_\_  
\_\_\_\_\_

Signature of Resident: \_\_\_\_\_

For Office Use Only:

Elevator Reservation Check:

Check Number: \_\_\_\_\_ Date Received: \_\_\_\_\_

Security Deposit:

Check Number: \_\_\_\_\_ Date Received: \_\_\_\_\_

Amount Withheld: \_\_\_\_\_

Reason Withheld:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Amount Returned: \_\_\_\_\_ Date Returned: \_\_\_\_\_

DECLARATION  
ARTICLE VI

SALE, LEASE, OR OTHER DISPOSITION OF UNIT

No co-owner shall sell, exchange or lease any interest in this condominium unit (herein referred to as "unit interest"), except by mortgage designed to secure payment of a bona fide debt or loan due any bank, building loan association, insurance company, financial institution, or other lending agency, without first complying with the terms, conditions and provisions set forth as follows:

(a) If any co-owner desiring to sell, exchange or lease his unit interest shall receive an acceptable bona fide offer therefor, he shall notify the Manager of the terms of said offer, including the name and address of the prospective purchaser, lessee, or other party, the purchase or rental price for the unit interest, and the terms upon which same is payable, and all other material provisions of the contract, exchange or lease, and the Manager, for and on behalf of the council of co-owners, shall thereupon have the prior right and privilege to purchase, take or lease the co-owner's unit interest upon the terms and conditions contained in said bona fide offer. If the Manager elects to exercise the right to purchase, take or lease the unit interest, it shall so notify the co-owner offering the same for sale, exchange or lease, in writing, within twenty (20) days after receiving notice of the terms of the aforesaid bona fide offer, and thereafter, such co-owner shall convey or lease the unit interest, in accordance with the terms of the bona fide offer, solely to the Manager as the agent of the council of co-owners, or to whomsoever such Manager may designate. If the Manager fails to exercise its right to purchase, take or lease the unit interest upon the terms of the bona fide offer, then the co-owner offering such interest may sell or lease the same to the person making the bona fide offer therefor, solely, however, in accordance with the terms of such offer. If for any reason, a sale, exchange or lease of the unit interest is not consummated upon the terms of the initial bona fide offer, no subsequent sale, exchange or lease thereof may be effected without first re-offering the unit interest to the Manager, all as in the case of the first bona fide offer.

The right and privilege hereunder reserved unto the Manager, as agent of the council of co-owners, to buy or lease any unit interest under the provisions of this subparagraph (a) shall expire at the end of the twentieth (20<sup>th</sup>) year following the death of the survivor of Leonard Attman and Morris Wolf.

(b) A certificate executed and acknowledged by the Manager stating that a co-owner has complied with the provisions of subparagraph (a) of this Article VI and that the Manager has failed to exercise, or has waived, its right to buy or lease the unit interest offered for sale or lease shall be conclusive upon the council of co-owners in favor of all persons who may rely thereon in good faith. Such certificate shall be furnished to any co-owner who has in fact complied with the provisions of subparagraph (a) of this Article VI or in respect to whom the provisions of said subparagraph have been waived, upon request at a reasonable fee not to exceed \$10.00.

(c) The provisions of this Article VI shall not apply to any mortgagee enforcing the lien of its mortgage against any unit covered thereby. Further, any mortgagee may purchase or otherwise acquire the condominium unit or units subjected to its mortgage, through legal proceedings or otherwise, without first complying with the terms, conditions or provisions of subparagraph (a) of said Article VI. If any mortgagee, however, acquires the condominium unit or units covered by its mortgage, then in such event the mortgagee shall be deemed a co-owner to whom the provisions of this Article VI shall apply, subject to the following modification:

**If the Manager elects to exercise the right to purchase, take or lease the unit interest of the mortgagee, as co-owner, it shall so notify the mortgagee offering the same for sale, exchange or lease, in writing, within ten (10) days after receiving notice of the terms of the bona fide offer received by the mortgagee from any prospective purchaser, lessee, or other person.**

(d) The provisions of this Article VI shall not apply to the sale, lease or other disposition of any condominium unit by the Developer so long as title to more than five (5) condominium units is vested in said Developer as the owner of such units.



# Council of Co-Owners of Strathmore Tower Condominium

Rules and Regulations



## **Rules and Regulations**

**Council of Co-Unit Owners of Strathmore Tower Condominium, Inc.**

## STRATHMORE TOWER CONDOMINIUM – RULES & REGULATIONS

Updated May 1, 2013

Statement of Purposes - (See enclosure)

1. The sidewalks, entrances, passages, courts, public halls, corridors, and stairways of the building shall not be obstructed or used for any other purpose than ingress to and egress from the units in the building.
2. No article shall be placed in any of the halls or on any of the staircase landings, nor shall any fire exit be obstructed in any manner.
3. Unit owners will be held responsible for the damage caused by actions of their children and their guests. Children are not allowed to play in the public halls, stairways, or elevator.
4. No public hall shall be decorated by any unit owner in any manner, unless permission is granted by the Board of Directors.
5. Each unit owner shall keep his/her unit and any balcony, patio or terrace to which that unit has sole access, in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, windows or balcony of said unit, any dirt or other substance.
6. Tools, sporting goods, barbecue or cooking equipment, bicycles, and other personal articles and equipment as such must be kept within the units or individual lockers.
7. No repairs of vehicles will be allowed within the parking areas, or vehicle with or without license plates, shall be parked on the parking areas without the prior written permission of the Board of Directors.
8. No radio or television antennas, aerials, awnings, sun shades, terrace covers, terrace enclosures, window guards, flags, or similar items shall be permanently attached to, hung from, the exterior of the building or balconies. All exterior facings of windows in all of the building must be of white uniform coloring so as to maintain the uniformity of the windows of the entire building. No sign, notices, advertisements or illumination shall be inscribed or exposed to public view on or at any window or other part of the building. No doorway facing to any hallway shall be painted in any other color except that uniformly used throughout the building. Nothing shall be projected from any window of the building at any time. All of the above are for the uniformity of the entire building without clashing of colors, designs, or in any way degenerating the high character and quality of the building.



9. No ventilator or air conditioning device shall be installed, except for medical reasons, in any unit without the prior written approval of the Board of Directors or the Managing Agent, as to the type, location and manner of installation of such device, which approval may be granted or refused, in the sole discretion of the Board of Directors or the Managing Agent.
10. All radio, television or any other electrical equipment of any kind or nature installed or used in each unit, shall fully comply with all rules, regulations, requirements, or recommendations of the local board of Fire Underwriters and the public authorities having jurisdiction, and the unit owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in his/her unit.
11. Unit owners and their guests must reduce noise levels after 11:00 pm to the following 8:00 am so that neighbors are not disturbed. In general, no unit owner shall make or permit to be made any noises that will disturb or annoy the occupants of the building, or do or permit to be done anything therein which will interfere with the rights, comforts, or convenience of other unit owners.
12. No animals of any kind shall be kept or harbored in any units. No visitors shall be allowed to bring pets into the condominium except for service animals as defined by Federal Law.
13. There shall be no use of the common grounds and green areas except natural recreational uses which do not increase the maintenance thereof, or cause unreasonable embarrassment, disturbance, or annoyance to unit owners in their enjoyment of the common grounds and green areas in the vicinity of their units.
14. There shall be no organized sports activities or picnicking in common areas or grounds of the condominium.
15. The speed limit for all vehicles within the condominium grounds is 15 mph.
16. Trash and refuse (excluding cartons or newspapers) shall be deposited by the unit owners in the trash chute only between the hours of 9:00 am to 9:00 pm. All trash must be deposited in the trash chute. Trash which is too large for the chute should be referred to the building staff between 8:30 am and 11:00 am. Recyclables shall be deposited in the containers located in the trash rooms for that purpose, except during weekends when they should be taken to the containers at the lower level (LL).
17. Toilets and sinks in the building shall not be used for any purposes other than those for which they were designed, nor shall any sweepings, rubbish, rags, or any other articles as such be thrown into the same. Any damage resulting from use or misuse of toilets or sinks inside units shall be repaired and paid for by the unit owner. Nor shall water be left running an unreasonable or unnecessary length of time.

18. No unit owner or occupant of the building shall send any employee of the building on any private business.
19. Authorized agents of the Board of Directors or the Managing Agent, and any contractor or workman authorized by the Board of Directors or the Managing Agent, are authorized to enter any unit at any reasonable time for the purpose of accomplishing repairs, inspection, etc. It is mandatory that unit owners leaving the building for any extended length of time shall leave a key with the front desk. If key is not available, the door may be broken in should an emergency arise, at the owner's expense.
20. No unit owner shall alter any lock or install a new lock on any external door leading to the unit without written consent of the Board of Directors or the Managing Agent. If such consent is given, the Board of Directors or the Managing Agent must be provided with a key.
21. No automobile or other vehicle shall be parked upon any of the premises at any time, except in the parking areas provided for that purpose.
22. No garbage cans, plastic containers, mats or other articles as such shall be placed in the halls, nor shall anything be hung from the windows or balconies, or placed upon the window sills. Nor shall any linens, cloths, laundry, rugs or mops be shaken or hung from any of the windows, doors, or balconies, or otherwise left on or placed in such a way as to be exposed to public view.
23. No balcony, patio, or terrace shall be enclosed, decorated, landscaped, or covered by any awning or article as such, without prior consent in writing of the Board of Directors or the Managing Agent, nor shall any balcony, patio, or terrace be used for storage.
24. No unit owner nor said unit owner's guests, employees, licensees, or visitors shall at any time bring into or keep in the unit any inflammable, combustible or explosive fluid, material, chemical, or substance except for normal household use.
25. If any key or keys are entrusted by a unit owner or by a member of his/her family or agent, employee, licensee, or visitor to an employee of the Board of Directors or the Managing Agent, whether for his/her unit or an automobile trunk, trunk or other item of personal property, the acceptance of the key(s) shall be at the sole risk of the unit owner, and neither the Board of Directors nor the Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.
26. All property left by or for occupant with the manager or employees will be received by such manager or employees as agents of occupant, and at the sole responsibility of said occupant.

27. The entrance doors into the hallways of each condominium shall be kept closed at all times, except when opened for purposes of ingress or egress.
28. Complaints regarding service shall be made in writing to the Board of Directors or the Managing Agent. If the Board of Directors or the Managing Agent determine that the complaint is justified, they will take whatever action deemed necessary. The complainant will be notified in writing by the Board of Directors and/or the Managing Agent of the action taken within fifteen (15) days of receipt.
29. No portion of a unit may be rented without prior consent of the Board of Directors.
30. Garage spaces cannot be rented to any person not residing within the condominium.
31. At no time are parking spaces on the front lot provided for employees of the unit owners, leaseholders, or service and delivery people other than for temporary parking to deliver items to a unit or the building. In this event, the doorman will judiciously determine the length of time the delivery or service person can park before directing the vehicle to the street or the rear lot. No car is to be left in the front area of the building for more than fifteen (15) minutes.
32. Personal or building cleaning staff, etc., shall not congregate in the front lobby to await pickup service.
33. The front desk telephone is not for personal calls and convenience of the unit owners. Under no circumstances should this telephone number be used or distributed for business purposes. Nor will incoming calls of this nature will be accepted. Unit owners will not be allowed to use the reception desk telephone for personal outgoing calls.
34. Proper attire is required in the main lobby at all times. Bare feet, hair rollers, sleepwear is considered inappropriate is in not permitted.
35. Construction, improvement, or repairs that may create disturbing noises must be done during the hours between 8:00 am and 5:00 pm Monday through Friday and on weekends only in the event of an emergency.
36. Moving in or out, or hauling furniture shall be done only Monday through Friday between 8:00 am and 4:00 pm. Exception can be made by prior request in writing to the Management Company which will advise the cost for any additional personnel necessary. Damage to common areas or elements of the building resulting from movers and workers will be paid for in full by the unit owner.

37. The public sale of contents of units, all open house type sales, are prohibited. Please note that this rule in no way prevents the owner from listing said unit for sale or showing by appointment only to protect and control entrance into the premises.
38. Unit owners should have a fire extinguisher, currently charged and in good working order.
39. Late fees are explained - (See enclosure)
  - (A) A late charge of ten percent (10%) will be assessed for fees that are received fifteen (15) days or more past the monthly due date
  - (B) Non-payment of condominium fees is a violation of the By-Laws and considered a very serious offense. The Board of Directors will direct the Management Company to collect all condominium fees by all appropriate legal means against the unit owner's assets.
40. Any consent or approval given under these Rules & Regulations may be added to, amended or repealed at anytime by resolution of the Board of Directors.

ARTICLE X

PARKING AND STORAGE

The Board of Directors shall assign a designated parking space and storage locker to each co-owner for his exclusive use, subject to reasonable rules and regulations adopted by the Board for maintenance and operation of the garage and parking areas, and basement storage lockers. The parking space assigned to each co-owner, except owners of units 100, 101, 104 and 105, shall be located in the underground garage, and the parking space assigned to the aforesaid remaining co-owners shall be located in the parking area outside the building. All unassigned spaces in the parking area outside the building shall be for the use and enjoyment of the council of co-owners, in common, provided, however, that no co-owner shall use or cause to be used more than one such parking space. The storage locker assigned to each co-owner shall be located in the basement of the building.

There shall be no change in or revocation of any assignment of a designated parking space or storage locker without the consent of the co-owner or owners affected thereby.

ARTICLE XI

RESTRICTIONS, RULES AND REGULATIONS

For the purpose of creating and maintaining a uniform scheme of development and operation of the Condominium Project for the benefit of each co-owner, his respective heirs and assigns, the property and each condominium unit shall be held subject to the following terms, conditions, provisions and restrictions:

1. The property and each condominium unit located thereon shall be used, occupied and maintained for residential purposes only, except and provided as follows:

(a) Real estate sales, management and construction offices and signs may be erected, maintained and operated on the land and in and upon



the basement and the first floor of the building, including within any condominium unit located on said first floor, provided such offices and signs are used and operated in connection with the development or management of the Condominium Project, the making of improvements on the property, or the sale of any condominium units.

(b) Any condominium unit or units located on the first floor of the building may be used as the office of a physician, dentist, architect, attorney or other professional person for the practice of such profession, provided that the physician, dentist, architect, attorney or other professional person is authorized to maintain the office under the Zoning Laws and Regulations applicable in Baltimore City. No advertising sign or device, however, shall be displayed except a flat, ornamental, non-illuminated sign not exceeding one square foot in area may be placed against the exterior of the building for each office permitted under the provisions of this sub-paragraph.

(c) No condominium unit shall be occupied by more than one family.

(d) An underground garage, partly in the basement of the building, and parking areas on the land may be maintained and operated for the parking of private, non-commercial automobiles. No vehicle shall be parked on the property except in a space or area provided for the parking of automobiles.

The property shall not be used for any of the purposes set forth in subparagraph (a) hereof without the written consent and approval of the Board of Directors being first had and obtained.

2. No noxious or offensive trade or activity shall be carried on upon the property or in any condominium unit, nor shall anything be done upon the property or in any unit which may be or become a violation of any health, fire, police, or other governmental law, rule or regulation, or a nuisance or annoyance to the co-owners or neighborhood. Any violation of any law, order, rule, regulation or requirement of any governmental authority or agency shall be remedied by and at the sole cost and expense of the co-owner or co-owners whose unit or units are the subject of such violation.

3. No noise, disturbing to the co-owners, shall at any time be made upon the property or in any condominium unit, and nothing shall be done or permitted to be done in or about the property, or any unit, that interferes with, obstructs or violates the rights, reasonable comforts or convenience of the co-owners.

4. Nothing shall be kept in any condominium unit which may in any way increase the rate of fire insurance on the building or common elements beyond the rate established therefor when and as used for the purposes permitted under the Deed and By-laws; and further, nothing shall be done or permitted to be done that will conflict with any fire law, rule or regulation.

5. No cat, dog, bird, monkey or other animal or fowl shall be kept upon the property, without the written consent of the Board of Directors, nor shall any such animal or fowl, despite prior consent, be retained after notice from the Board of Directors to remove it from the property.

6. The walkways, halls, stairways and elevators shall be used for ingress and egress only; children shall not be permitted to play therein or thereon, nor shall same be used in any manner for permanent or temporary storage of any article of personal property, or of any bottles, trash or garbage, nor shall any of the foregoing ever be permitted to remain or stand in the halls or



stairways. Lawns shall not be used for sunbathing, picnicking, play, or similar purposes.

7. No portion of the common elements shall be in any manner defaced, nor shall same be utilized for the making of connections of any sort for radio, television, or other devices or equipment of any kind, all of which connections are specifically prohibited except to the ordinary outlets furnished within condominium units, and except additional electric outlets which may be installed with the consent of the Board of Directors.

8. No vermin, insects, or other pests shall be allowed to remain in any condominium unit, nor shall any such unit be permitted to remain in an unclean or unsanitary condition. In order to assure compliance with this subparagraph, the Board of Directors, its agents, servants, employees and contractors may enter any room or any unit in the building, at any reasonable hour of the day, after reasonable notice, for the purpose of inspecting such room, or unit for the presence of any vermin, insects or other pests, and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects, or other pests.

9. Neither clothing, curtains, rugs, or other articles shall be shaken free or in any of the halls, windows, doors, landings, or balconies, nor shall anything be placed on outside window or balcony sills, ledges, or railings, or thrown from windows or balconies, nor shall any signs of any kind be displayed upon the property except to the extent permitted under paragraph 1 of this Article XI. Further, no cooking shall be permitted on any patio, terrace or balcony. No corridor doors shall remain open, except when in actual use for ingress or egress to or from the corridors or hallways.

10. No co-owner shall violate any rule or regulation now or hereafter adopted by the Board of Directors or a majority of the council of co-owners for the safety, care, maintenance, good order



and cleanliness of the property, including rules and regulations applicable to parking and to deliveries by or to the co-owners.

11. All of the aforesaid restrictions, rules and regulations shall be held and construed to run with and bind the property and each condominium unit located thereon, and all owners and occupants of such units, their respective heirs and assigns, forever. Said restrictions, rules and regulations shall inure to the benefit of and be enforceable by the Developer, the council of co-owners, the Board of Directors, or any co-owner against anyone violating or attempting to violate any of said restrictions, rules or regulations. Enforcement may be by appropriate legal proceedings, either an action at law for damages, or a suit in equity to enjoin a breach or violation, or enforce performance, of any restriction, rule or regulation. Further, the Board of Directors, for itself, its agents, servants, employees and contractors, after notice to a co-owner of any breach or violation of any restriction, rule or regulation within his unit and his failure to correct the same within a reasonable time thereafter, shall have the right to enter the condominium unit of the defaulting co-owner and, at his expense, summarily abate or remove the breach or violation occurring in his unit.

#### ARTICLE XII

##### ARBITRATION

If there be any dispute between the Board of Directors or the Manager of the Condominium Project on the one part, and any co-owner, on the other part, same shall be submitted to arbitration. Either party shall have the right to notify the other party that it is invoking the arbitration provisions of these By-laws, as herein provided. The party initiating the arbitration shall set forth in its written notice the desire to invoke the arbitration provisions of this Article, and shall specify the name and address of the arbitrator selected to represent the party initiating the arbitration.

## STATEMENT OF PURPOSES

The following Rules and Regulations in this document are considered necessary for the meeting of residents and the maintenance of property values most are simply a compilation of previous rules and pertinent sections of the Declaration and By-Laws.

It is the declared intention of the Board of Directors that Rules and Regulations shall be adopted by the Board without the requirement of a vote of the Council as a requisite to their adoption.

As an owner, you must be aware of your responsibilities including assessments, interior unit upkeep, etc. All rules and regulations proposed by the Board or any committee appointed by the Board, to act on its behalf, shall be dated as of the date they were considered by the Board, and shall be communicated to members of the Council in published form.

Each unit owner shall have a right to appeal in writing, to the Board for an individual exception to any rule adopted by the Board.

The Board shall consider all appeals and shall render a decision at its next scheduled regular meeting. Said decision shall be in writing and shall be addressed to the unit owner or owners making the appeal.

The Rules and Regulations supersede all previous versions. Your Board of Directors welcome written suggestions from unit owners for changes in Rules and Regulations.

John S. Ward  
President

## STRATHMORE CONDOMINIUM - RULES & REGULATIONS

Effective January 1, 1999

Statement of Purpose - (See enclosure)

1. The sidewalks, entrances, passages, courts, public halls, corridor, and stairways of the buildings shall not be obstructed or used for any other purpose than ingress to and egress from the units in the buildings.
2. No article shall be placed in any of the halls or on any of the staircase landings, nor shall any fire exit be obstructed in any manner.
3. Unit owners will be held responsible for the damage caused by actions of their children and their guests. Children are not permitted to play in the public halls, stairways, or elevator.
4. No public hall shall be decorated or furnished by any unit owner in any manner, unless permission is granted by the Board of Directors.
5. Each unit owner shall keep his unit and any balcony, patio or terrace to which his unit has sole access, in a good state of preservation and cleanliness and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, windows or balcony of his unit, any dirt or other substance.
6. Tools, sporting goods, barbecue or cooking equipment, bicycles, and other personal articles and equipment as such, must be kept within the units or individual lockers.
7. No repairs of vehicles will be allowed within the parking areas. No boats, trailers, campers or commercial vehicles, or vehicles with or without license plates, shall be parked on the parking areas of the condominium without the prior written permission of the Board of Directors.
8. No radio or television antennas, aerials, awnings, sun shades, terrace covers, terrace enclosures, window guards, flags, or similar items shall be permanently attached to, hung from, the exterior of the buildings or balconies. All exterior facings of windows in all parts of the building must be of white uniform coloring so as to maintain the uniformity of the windows of the entire building. No sign, notices, advertisements or illumination shall be inscribed or exposed to public view on or at any window or other part of the buildings. No doorway facing to any hallway shall be painted in any other color except that uniformly used throughout the building. Nothing shall be projected from any window of the building at any time. All of the above are for the uniformity of the entire building without clashing of colors, designs, or in any way degenerating the high character and quality of the building.
9. No ventilator or air conditioning device shall be installed, except for medical reasons, in any unit without the prior written approval of the Board of Directors or the Managing Agent, as to

the type, location and manner of installation of such device, which approval may be granted or refused, in the sole discretion of the Board of Directors or the Managing Agent.

10. All radio, television or any other electrical equipment of any kind or nature installed or used in each unit, shall fully comply with all rules, regulations, requirements or recommendations of the local Board of Fire Underwriters and the public authorities having jurisdiction, and the unit owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in his unit.
11. Unit owners and their guests must reduce noise levels after 11:00 p.m. to the following 8:00 a.m., so that neighbors are not disturbed. In general, no unit owner shall make or permit to be made any noises that will disturb or annoy the occupants of the buildings, or do or permit to be done anything therein which will interfere with the rights, comforts, or convenience of other unit owners.
12. No animals of any kind shall be kept or harbored in any units. No visitors shall be allowed to bring pets into the condominium.
13. There shall be no use of the common grounds and green areas except natural recreational uses which do not increase the maintenance thereof, or cause unreasonable embarrassment, disturbance or annoyance to unit owners in their enjoyment of the common grounds and green areas in the vicinity of their units.
14. There shall be no organized sports activities or picnicking in common areas or grounds of the condominium.
15. The speed limit for all vehicles within the Condominium grounds is 15 m.p.h.
16. Trash and refuse (excluding cartons or newspapers), shall be deposited by the units owners in the trash chute only between the hours of 8:00 a.m. to 8:00 p.m. All trash must be deposited in the trash chute. Trash which is too large for the chute should be referred to the building staff between 8:30 a.m. and 11:00 a.m. Newspapers shall be deposited in cartons located in trash rooms provided for that purpose.
17. Water closets and other water apparatus in the buildings shall not be used for any purposes other than those for which they were designed, nor shall any sweepings, rubbish, rags, or any other articles as such be thrown into the same. Any damage resulting from misuse of any water closets or other apparatus in a unit shall be repaired and paid for by the unit owner. Nor shall water be left running an unreasonable or unnecessary length of time.
18. No unit owner or occupant of the building shall send any employee of the building on any private business.

19. Authorized agents of the Board of Directors or the Managing Agent, and any contractor or workman authorized by the Board of Directors or the Managing Agent, are authorized to enter any unit at any reasonable time for the purpose of accomplishing repairs, inspection, etc. Any resident who must leave the building for any length of time shall leave a key with someone and notify the office where such key is available. If the key is not available, the door may be broken in should an emergency arise, at unit owner's expense.
20. No unit owner shall alter any lock or install a new lock on any exterior door leading to his unit without the written consent of the Board of Directors or the Managing Agent. If such consent is given, the Board of Directors or the Managing Agent shall be provided with a key.
21. No automobile or other vehicle shall be parked upon any part of the premises at any time, except in the parking areas provided for that purpose.
22. No garbage cans, milk bottle containers, mats or other articles as such shall be placed in the halls, nor shall anything be hung from the windows or balconies, or placed upon the windowsills. Nor shall any linens, cloths, laundry, rugs, or mops be shaken or hung from any of the windows, doors, or balconies, or otherwise left on or placed in such a way as to be exposed to public view.
23. No balcony, patio, or terrace shall be enclosed, decorated, landscaped, or covered by any awning or article as such, without the prior consent in writing of the Board of Directors or the Managing Agent, nor shall any balcony, patio, or terrace be used for storage.
24. No unit owner or any of his guests, servants, employees, licensees, or visitors shall at any time bring into or keep in his unit any inflammable, combustible or explosive fluid, material, chemical, or substance except for normal household use.
25. If any key or keys are entrusted by a unit owner or by a member of his family or by his agent, servant, employee, licensee, or visitor to an employee of the Board of Directors or of the Managing Agent, whether for his unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of the unit owner, and neither the Board of Directors nor the Managing Agent shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.
26. All property left by or for occupant with the manager or employees will be received by such manager or employees as agents of occupant, and at the sole responsibility of said occupant.
27. The entrance doors into the hallways of said apartment building shall be kept closed at all times, except when opened for purposes of ingress or egress.
28. Complaints regarding service shall be made in writing to the Board of Directors or the Managing Agent. If the Board of Directors or the Managing Agent determine that the




complaint is justified, it will take whatever action it deems necessary. The complainant will be notified in writing by the Board of Directors and/or Managing Agent of the action taken within fifteen (15) days of receipt.

29. No portion of a unit may be rented without prior consent of the Board of Directors.
30. Garage spaces cannot be rented to any person not residing within the condominium.
31. At no time are parking spaces on the front lot provided for employees of any other unit owner, leaseholders, or service and delivery people other than for temporary parking to deliver items to a unit or the building. In this event, the doorman shall judiciously determine the length of time the delivery or service people can park before directing the moving of the vehicle to the street or rear lot. No car is to be left in the front area of the building for more than fifteen (15) minutes.
32. Maids, house-help, cleaning staff, etc., shall not congregate in the front lobby to await pickup service.
33. The telephone switchboard is for incoming personal calls and convenience of the unit owners. Under no conditions should this phone number be used or distributed for business purposes by unit owners. Incoming calls of this nature will not be accepted. Unit owners are not to use the switchboard phone for outgoing calls.
34. Proper attire is required in our main lobby at all times. Bare feet and short shorts, etc. are considered inappropriate.
35. Construction, improvements or repairs that may create disturbing noises must be done during the hours of 8 a.m. to 5 p.m. Monday through Friday and on weekends only in the event of an emergency.
36. Moving in or out or hauling of furniture shall be done only Monday through Friday during the hours of 8 a.m. to 4 p.m. Exception can be obtained by prior request in writing to the Management Company who will advise the cost for any additional personnel necessary. Damage to common elements resulting from movers and workers shall be paid for the unit owners.
37. The public sale of contents of apartments, i.e., all open house type sales, are prohibited.

Please note: This new rule in no way prevents you from listing your unit for sale or the showing of your unit by appointment only to control entrance to our premises.

38. Unit owners should have a fire extinguisher, currently charged and in good working order.



39. Late fees - (See enclosure)

A. - A late charge of ten percent (10%) will be assessed for fees that are received fifteen (15) or more days past the monthly due date.

B. - Non-payment of condominium fees is a violation of the By-Laws and considered a very serious offense. As of the effective date, the Board will request the Management Company to collect all condominium fees by all appropriate legal means against the unit owner's assets.

40. Any consent or approval given under these Rules & Regulations may be added to, amended or repealed at any time by resolution of the Board of Directors.